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1904

FIFTIETH ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

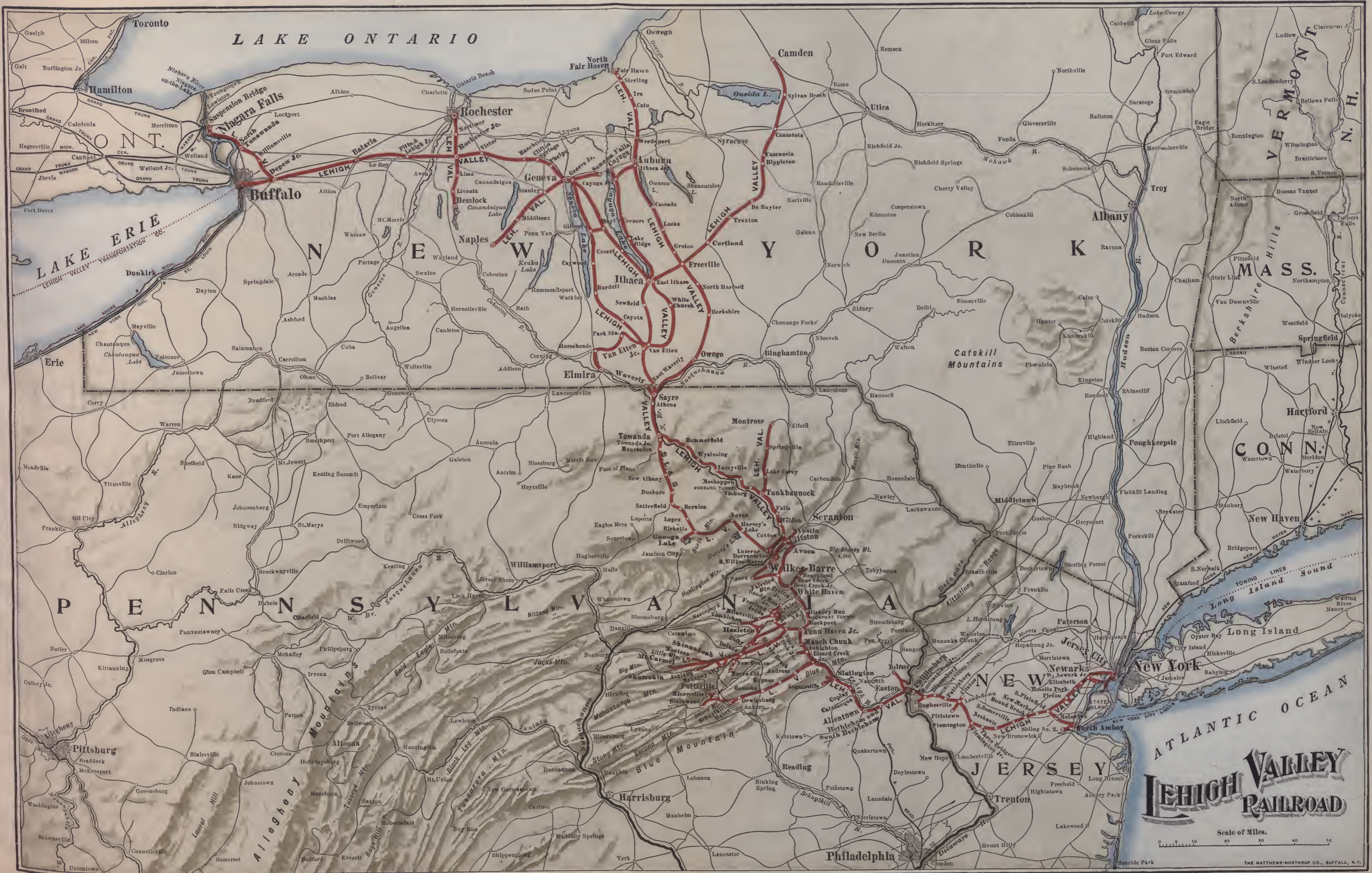
LEHIGH VALLEY RAILROAD COMPANY

TO THE

STOCKHOLDERS.

FISCAL YEAR ENDED JUNE 30TH, 1904.





LEHIGH VALLEY RAILROAD

Scale of Miles.
0 10 20 30 40 50

THE MATTHEWS-NORTHROP CO., BUFFALO, N.Y.

MAP OF THE STATE OF TEXAS



COMPLIMENTS OF

D. G. BAIRD.

FIFTIETH ANNUAL REPORT

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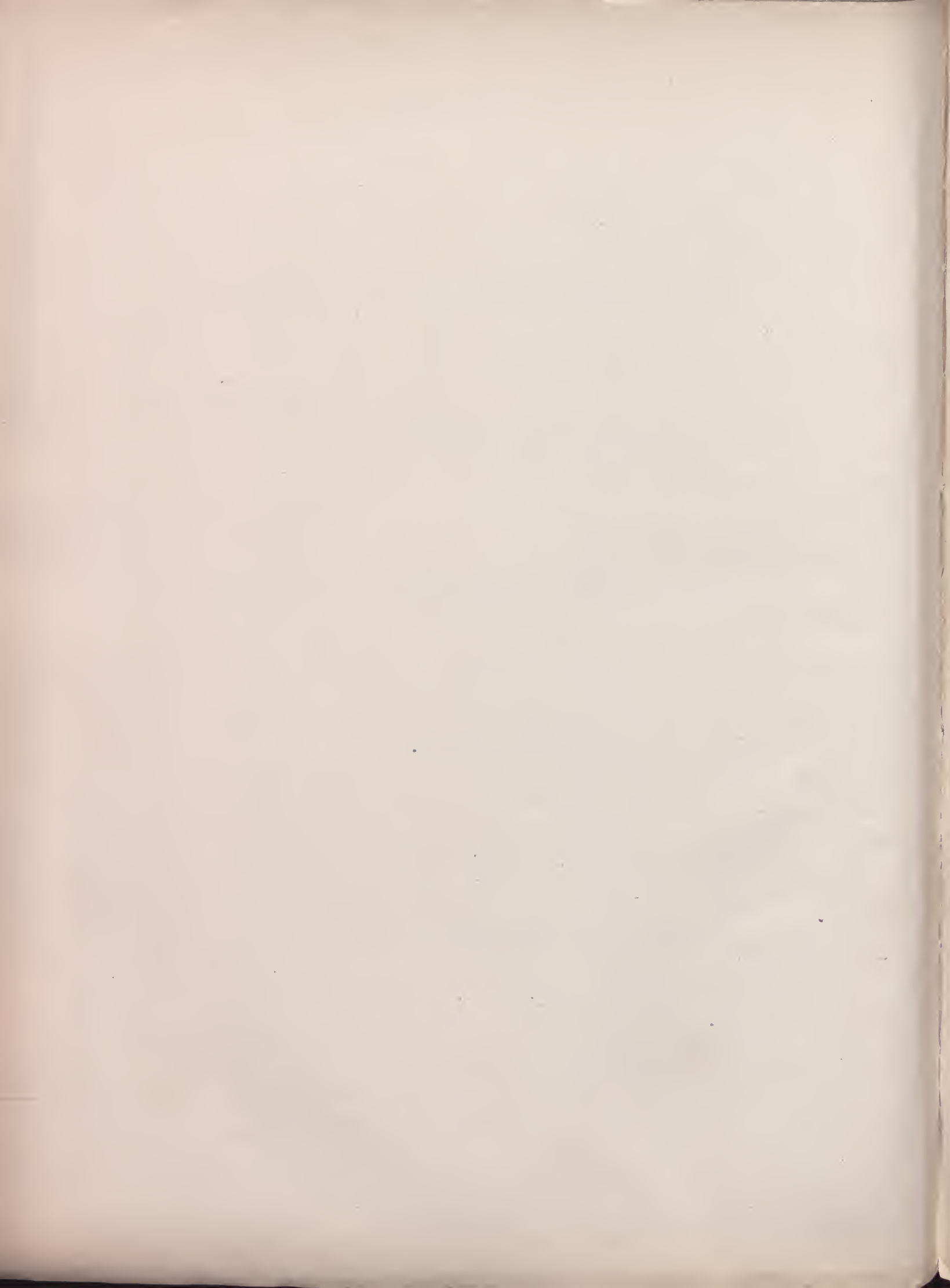
LEHIGH VALLEY RAILROAD COMPANY

TO THE

STOCKHOLDERS.

FISCAL YEAR ENDED JUNE 30TH, 1904.





LEHIGH VALLEY RAILROAD COMPANY.

BOARD OF DIRECTORS.

GEORGE F. BAER,
GEORGE F. BAKER,
BEAUVEAU BORIE,
ROBERT C. LIPPINCOTT,
ABRAM NESBITT,
NORMAN B. REAM,

EDWARD B. SMITH,
IRVING A. STEARNS,
CHARLES STEELE,
EDWARD T. STOTESBURY,
H. McK. TWOMBLY,
JOSEPH WHARTON.

OFFICERS.

President,

E. B. THOMAS.

Second Vice-President,

J. A. MIDDLETON.

Assistant to the President,

J. W. PLATTEN.

G. N. WILSON, *General Auditor.*

W. C. ALDERSON, *Treasurer.*

D. G. BAIRD, *Secretary.*



FIFTIETH ANNUAL REPORT.

PHILADELPHIA, September 21st, 1904.

To the Stockholders of the Lehigh Valley Railroad Company:

The Board of Directors herewith submit the fiftieth annual report of the business of your Company and its allied interests for the fiscal year ended June 30th, 1904.

MILEAGE.

The mileage of railroads owned and operated by the Lehigh Valley System, the main line of which extends from Jersey City, N. J., to Buffalo, N. Y., is as follows:—

	MILES.
Owned, or controlled by ownership of entire capital stock	1,123.61
Controlled by ownership of majority of capital stock	184.41
Controlled by leases	27.88
Total mileage operated (owned and controlled)	1,335.90
Trackage rights over railroads owned by other companies	49.37
Total mileage operated	1,385.27
Easton and Northern Railroad, owned 12.78 miles	. . . . .
Operated by this Company 4.64 "	. . . . .
	8.14
Total mileage	1,393.41

—of which 574.35 miles, or 41.22 per cent., have second track, 28.36 miles have third track. There are also 986.79 miles of yard tracks and sidings on the system.

The decrease of 6.34 miles of first track was due to a number of Colliery branches having been transferred to sidings, and the increase of .73 miles of second track was due to the extension of the Mountain Cut-off.

EARNINGS AND EXPENSES.

The following statement shows the gross earnings, expenses, and net earnings from operations for the fiscal year, entire system, not including other income.

For comparative purposes, similar figures are also given for the fiscal year of 1903.

GROSS EARNINGS.

FROM	1904.	1903.	INCREASE.	DECREASE.
Coal	\$12,835,076 24	\$10,104,764 40	\$2,730,311 84	. . . . .
Other freight	11,994,700 77	11,609,706 36	384,994 41	. . . . .
Passenger	3,155,715 13	3,191,638 63	. . . . .	\$35,923 50
Express	306,024 77	278,399 62	27,625 15	. . . . .
Mail	207,692 26	204,659 92	3,032 34	. . . . .
Miscellaneous	1,382,529 04	1,265,334 33	117,194 71	. . . . .
Total earnings	\$29,881,738 21	\$26,654,503 26	\$3,227,234 95	. . . . .

OPERATING EXPENSES.

FOR	1904.	1903.	INCREASE.	DECREASE.
Maintenance of way and structures . . .	\$3,058,203 40	\$4,099,168 88	. . . . .	\$1,040,965 48
Maintenance of equipment	4,744,232 02	4,694,395 07	\$49,836 95	. . . . .
Conducting transportation	10,471,970 49	9,567,083 09	904,887 40	. . . . .
General expenses	595,895 33	619,532 62	. . . . .	23,637 29
Total expenses	\$18,870,301 24	\$18,980,179 66	. . . . .	\$109,878 42
Net earnings from operations	\$11,011,436 97	\$7,674,323 60	\$3,337,113 37	. . . . .
Percentage, operating expenses to gross earnings	63.15	71.21	. . . . .	8.06

The gross revenue from transportation of your railroad lines amounted to twenty-nine million eight hundred and eighty-one thousand seven hundred and thirty-eight dollars and twenty-one cents (\$29,881,738.21), an increase of three million two hundred and twenty-seven thousand two hundred and thirty-four dollars and ninety-five cents (\$3,227,234.95), or 12.11 per cent., over the preceding twelve months, while the operating expenses amounted to eighteen million eight hundred and seventy thousand three hundred and one dollars and twenty-four cents (\$18,870,301.24), being a decrease of one hundred and nine thousand eight hundred and seventy-eight dollars and forty-two cents (\$109,878.42), or .58 per cent., as compared with last year.

The ratio of expenses to earnings was 63.15 per cent., being a decrease as compared with the last fiscal year of 8.06 per cent.

EARNINGS.

MERCHANDISE FREIGHT.

The earnings from transportation of merchandise freight amounted to eleven million nine hundred and ninety-four thousand seven hundred dollars and seventy-seven cents (\$11,994,700.77), being an increase of three hundred and eighty-four thousand nine hundred and ninety-four dollars and forty-one cents (\$384,994.41), or 3.32 per cent., as compared with last year.

Exclusive of Company's material, the tonnage moved was 10,214,946 tons, a decrease of 280,968 tons, or 2.68 per cent., as compared with the previous twelve months.

The number of tons carried one mile amounted to 2,130,890,295, a decrease of 140,787,006, or 6.20 per cent.

The average haul decreased from 216.43 to 208.61 miles, a decrease of 7.82 miles, or 3.61 per cent.

The percentage of earnings derived from the transportation of merchandise freight to gross earnings was 40.14 per cent., a decrease of 3.42 per cent., as compared with the previous year.

The commodities transported consisted principally of—

Flour and other mill products,	Lumber,
Grain and hay,	Cement, brick, and lime,
Fruit and vegetables,	Iron and iron products,
Live stock,	Ores,
Other packing house products,	Stone, sand, and like articles,
Miscellaneous merchandise.	

Company's material amounting to 419,718 tons was transported during the year, being a decrease of 2,168 tons, or .51 per cent.

COAL.

The coal and coke tonnage transported by the Company during the year, not including supply coal, amounted to 11,694,151 tons, an increase of 2,269,933 tons, or 24.09 per cent. over the year previous.

The number of tons moved one mile amounted to 1,765,612,493, an increase of 404,808,335, or 29.75 per cent.

The sum of twelve million eight hundred and thirty-five thousand and seventy-six dollars and twenty-four cents (\$12,835,076.24) was derived from the transportation of coal and coke, being an increase of two million seven hundred and thirty thousand three hundred and eleven dollars and eighty-four cents (\$2,730,311.84), or 27.02 per cent.

The coal tonnage of the Company represented 53.38 per cent. of the total tonnage hauled during the year, as against 47.31 per cent. for the previous year, being an increase of 6.07 per cent. The percentage of earnings to gross earnings being 42.95 per cent., an increase of 5.04 per cent.

The average haul increased from 144.39 miles to 150.98 miles, an increase of 6.59 miles, or 4.56 per cent.

GENERAL FREIGHT TRAFFIC.

Our eastbound traffic was to a considerable extent unfavorably affected by the labor troubles on the Great Lakes.

Including both merchandise and coal, the entire freight traffic of the Company amounted to 21,909,097 tons, being an increase of 1,988,965 tons, or 9.98 per cent., as compared with the same period for the year previous.

The number of tons carried one mile amounted to 3,896,502,788, an increase of 264,021,329, or 7.27 per cent.

The total revenue derived was twenty-four million eight hundred and twenty-nine thousand seven hundred and seventy-seven dollars and one cent (\$24,829,777.01), an increase of three million one hundred and fifteen thousand three hundred and six dollars and twenty-five cents (\$3,115,306.25), or 14.35 per cent.

The average revenue per ton was 113.33 cents, as against 109.01 cents last year, being an increase of 4.32 cents, or 3.96 per cent.

The average distance carried was 177.85 miles, a decrease of 4.50 miles, or 2.47 per cent.

Exclusive of the above tonnage, Company's freight amounting to 2,021,384 tons was transported, being an increase of 300,923 tons, or 17.49 per cent.

Freight train mileage amounted to 8,014,974 miles, an increase of 533,299 miles, or 7.13 per cent., while the volume of tonnage increased, as shown above, 9.98 per cent.

Revenue received per freight train mile was \$3.0979 as compared with \$2.9023 for corresponding period last year, being an increase of 19.56 cents, or 6.74 per cent.

The average train load of revenue freight was 486.15 tons, an increase of .63 ton, or .13 per cent., the train load last year being 485.52 tons. Including Company's freight, the average train load was 507.92 tons as against 509.79 last year, a decrease of 1.87 tons, or .37 per cent.

The average number of tons of revenue freight in each loaded car was 19.76 tons, an increase of .32 ton, or 1.65 per cent., as compared with year previous. Including Com-

pany's freight, the average carload on the system was 20.65 tons, an increase of .24 ton, or 1.18 per cent., over the previous year.

PASSENGER TRAFFIC.

The revenue from passenger traffic amounted to three million one hundred and fifty-five thousand seven hundred and fifteen dollars and thirteen cents (\$3,155,715.13), a decrease of thirty-five thousand nine hundred and twenty-three dollars and fifty cents (\$35,923.50), or 1.13 per cent.

Total number of passengers carried was 4,199,490, an increase of 51,013, or 1.23 per cent.

The average revenue paid by each passenger was 75.15 cents, a decrease of 1.79 cents, or 2.33 per cent.

The average revenue per passenger per mile was 1.730 cents, a decrease of .146 cent, or 7.78 per cent.

The average distance traveled by each passenger was 43.43 miles, an increase of 2.42 miles, or 5.90 per cent.

The number of passengers carried one mile increased 12,254,718, or 7.20 per cent.

Passenger train mileage amounted to 3,929,313 miles, a decrease of 146,911 miles, or 3.60 per cent.

The earnings from passengers per passenger train mile were 84.58 cents, a decrease of .07 cent, or .08 per cent.; the average number of passengers per train was 48.88, an increase of 3.76, or 8.33 per cent.; and the average number of passengers per car was 16.35, an increase of .52, or 3.28 per cent.

EXPRESS.

The revenue from express traffic amounted to three hundred and six thousand and twenty-four dollars and seventy-seven cents (\$306,024.77), an increase of twenty-seven thousand six hundred and twenty-five dollars and fifteen cents (\$27,625.15).

MAIL.

By the transportation of United States mails the Company added to its earnings two hundred and seven thousand six hundred and ninety-two dollars and twenty-six cents (\$207,692.26), an increase of three thousand and thirty-two dollars and thirty-four cents (\$3,032.34) as compared with previous year.

MISCELLANEOUS.

Revenue from these sources aggregated one million three hundred and eighty-two thousand five hundred and twenty-nine dollars and four cents (\$1,382,529.04), an increase of one hundred and seventeen thousand one hundred and ninety-four dollars and seventy-one cents (\$117,194.71) over the preceding year. These accounts include the earnings from trackage, car service, hire of equipment, dining cars, &c., details of which appear in Table 7.

EXPENSES.

MAINTENANCE OF WAY.

Expenditures to the sum of three million fifty-eight thousand two hundred and three dollars and forty cents (\$3,058,203.40) were made for the Maintenance of Way during the year, being a decrease of one million forty thousand nine hundred and sixty-five dollars and forty-eight cents (\$1,040,965.48), or 25.39 per cent., as compared with the previous twelve months.

The property has been maintained and many substantial improvements made.

Extensions were made to the freight and passenger stations at Mt. Carmel, Shenandoah, Rummerfield, Newfield, and New Albany. Sections of the engine houses at Lehighton, Wilkes-Barre, and Coxton were enlarged to permit of the housing of larger locomotives.

During the year 10 steel bridges and 17 solid floor metal bridges, displacing lighter metal structures, and 14 metal bridges, displacing wooden bridges or trestles, were erected. One bridge was increased from a three to a six-track structure. One steel bridge was increased 106 feet of track by additional spans. One iron span was installed to provide additional flood opening. Five iron spans and 10 wooden trestles and bridges, aggregating 5,896½ lineal feet of single track, were filled in. Forty-one new cast-iron pipe cross drains, of sizes varying from one to four feet in diameter, were installed.

106.99 miles of track were fully ballasted and 1.1 miles partially ballasted in stone, for which purpose 232,227 cubic yards of crushed stone and 21,522 cubic yards of screenings were used; in addition to which 46.1 miles were fully ballasted in gravel, and 69.32 miles were raised and ballasted with cinders and ashes.

83,846.4 feet, or 15.88 miles, of Company's sidings, and 40,550.4 feet, or 7.68 miles, of private sidings, were constructed.

New electric interlocking plants were put in operation at Abbott Street, Easton, of 8 levers; at Gracedale, of 24 levers; at Athens, of 32 levers. The interlocking plant at Union Street, Allentown, was increased by 32 levers; at East end, Mahoning Yard, by 8 levers; at Mahoning by 24 levers. Two interlocking plants at Bridge Junction and Fairview, aggregating 38 levers, were abandoned.

Sixty-six additional electric disc and semaphore signals were installed, and 35 slotted or semi-automatic signals were put in at interlocking plants. With these additions, there was at the close of the fiscal year 98.7 per cent. of the main track protected by automatic signals.

Three miles of new telegraph and telephone pole line were constructed, and 25.29 miles of telegraph and telephone pole line rebuilt.

A new train block iron wire was installed between Auburn and Sayre, a distance of 85.1 miles. A new copper metallic telephone circuit was put up between Jersey City and South Plainfield, a distance of 24.80 miles, and an extension made to the copper metallic telephone circuit between Port Bowkley and Coxton, a distance of 8.7 miles. 72.98 miles of copper and 13.45 miles of iron wire were used in extending existing telephone, telegraph, and signal wires, and 46.95 miles of copper and 8.5 miles of iron wire were used in replacing worn-out wire in telephone, telegraph, and signal service.

A 75-foot and a 64-foot turntable were installed at Phillipsburg and Tunkhannock, respectively. A 75-foot turntable with air motor turning attachment was installed at Mauch Chunk.

Modern transfer cranes of heavy capacity were installed at South Bethlehem, Wilkes-Barre, Auburn, Ithaca, Rochester, and Buffalo.

New 90-pound rail to the extent of 10,813 tons, together with necessary frogs, switches, &c., was placed in the track.

332,030 tie plates were used.

614,273 cross ties; 1,316,112 feet B. M. switch ties; 503,515 feet B. M. bridge ties, and lumber amounting to 4,034,422 feet B. M. were used during the year.

Drain tile to the extent of 25,060 feet, or 4.75 miles, was used.

Electric alarm bells were erected at three crossings.

MAINTENANCE OF EQUIPMENT.

The sum of four million seven hundred and forty-four thousand two hundred and thirty-two dollars and two cents (\$4,744,232.02) was expended for maintenance of equipment during the year, an increase of forty-nine thousand eight hundred and thirty-six dollars and ninety-five cents (\$49,836.95), or 1.06 per cent., as compared with the previous year. This increase is due to a larger number of locomotives and cars having received heavy and general repairs, as well as the application of air brakes in conformity with the National and State laws.

Thirteen passenger, five switching, twenty-seven heavy freight locomotives, and fifteen 8,000-gallon tenders were purchased and charged to Expenses and Equipment Renewal Reserve. Five 4,500-gallon and six 5,500-gallon tenders were constructed during the year. Fourteen 10-wheel freight locomotives were rebuilt; fifty-one fire boxes, thirteen new tender frames, and thirteen new tender trucks were applied.

Total number of locomotives at the end of the year was 747, having a tractive power of 18,518,520 pounds, being a decrease of 18 locomotives but an increase in tractive power of 658,119 pounds.

691 locomotives received heavy and general repairs during the year, an increase of 72, or 11.63 per cent.

59 locomotives unfit for further service and too light to warrant rebuilding, were dismantled during the year and Operating Expenses charged with their value.

One light locomotive was sold.

47 locomotives were equipped with pilot couplers and 9 with tender couplers.

The number of locomotives now equipped with automatic couplers is 98.80 per cent., and with air brakes 99.73 per cent.

The average tractive power per locomotive at the end of the year was 24,791 pounds, an increase of 1,444 pounds, or 6.18 per cent.

The average mileage made by passenger locomotives was 45,975 miles; a decrease of 150 miles, or .33 per cent., and in freight service 32,022 miles, an increase of 2,845 miles, or 9.75 per cent.

The cost per locomotive mile increased 1.95 cents, due principally to the increased cost and consumption of fuel.

The cost per 1,000 tons hauled one mile (including weight of train) was 51.85 cents, an increase of 1.28 cents, or 2.53 per cent.

329 passenger cars were painted and varnished during the year; 4 equipped with standard platforms; 4 with wide vestibules; and 2 with Pintsch gas.

9,559 freight equipment cars received heavy repairs during the year, being an increase of 5,509, or 136.02 per cent.

The total number of freight equipment cars in service at the end of the year was 34,972, with 1,029,838 tons capacity, a decrease of 85 cars and an increase of 1,721 tons.

Air brakes were applied to 4,307 cars; the number now so equipped is 76.96 per cent. All cars are equipped with safety couplers.

One passenger express car, 237 freight equipment cars, 20 Company's service cars were destroyed and condemned during the year and their value charged to Operating Expenses.

Thirteen 4-wheel caboose cars were built.

One hundred 80,000-pounds capacity produce cars, one hundred 100,000-pound capacity low-side gondola cars, and one 60-ton steam wrecking crane were purchased and charged to Expenses and Equipment Renewal Reserve.

A reserve fund of five hundred and ninety-seven thousand nine hundred and eighty-four dollars and seventy-seven cents (\$597,984.77) is available and may be used for renewing equipment.

CONDUCTING TRANSPORTATION.

The expenses incurred under this head amounted to ten million four hundred and seventy-one thousand nine hundred and seventy dollars and forty-nine cents (\$10,471,970.49), being an increase of nine hundred and four thousand eight hundred and eighty-seven dollars and forty cents (\$904,887.40), or 9.46 per cent. This increase was principally due to the greater amount of traffic handled, the advance in the price and increased consumption of fuel, and advances in the rates of wages paid to enginemen, trainmen, and other employees. Freight train mileage increased 7.13 per cent. Ton miles increased 7.27 per cent. The average price of coal per ton increased 7.10 per cent.; total consumption, 4.00 per cent.

The increased expense for fuel for locomotives for the year amounted to \$406,893.68.

The volume of traffic, while much greater than during the preceding year, was handled under many disadvantages, because of the adverse weather conditions. A succession of snow storms and extremely low temperature were experienced during practically the entire Winter; yet the ratio of Conducting Transportation to Gross Earnings decreased .84 per cent., being 35.89 per cent. last year as against 35.05 per cent. this year.

GENERAL EXPENSES.

This account shows a decrease for the year of \$23,637.29, the total expenditure being \$595,895.33.

TAXES.

The taxes paid by the Company during the year amounted to \$647,722.87, or 2.17 per cent. of the Company's gross earnings.

FLOATING EQUIPMENT.

There has been no change in the number or character of the vessels comprising the fleet of the Lehigh Valley Transportation Company, which consists of the following lake steamers:—

NAME.	CAPACITY.
"Wilkes Barre"	6,000 tons.
"Mauch Chunk"	6,000 "
"Bethlehem"	3,000 "
"Seneca"	3,000 "
"Saranac"	3,000 "
"Tuscarora"	3,000 "

The Company's floating equipment in New York Harbor at the close of the fiscal year consisted of—

147 barges,	23 car floats,	2 dredges,
21 tugs,	5 steam lighters,	1 wrecking boat.

During the year 10 grain barges and 2 car floats were added to the equipment.

The necessary repairs have been made during the year and the Company's floating equipment is in good condition.

EQUIPMENT TRUSTS AND MARINE OBLIGATIONS.

The following statement shows the Equipment Trusts and marine obligations of your Company:—

Equipment Trust obligations, June 30th, 1903	\$5,547,000 00
Deduct certificates paid and canceled during the year:—	
Equipment Trust, Series "A," "B," "C," "D," "E," "F," and "G"	912,000 00
Total Equipment Trust obligations Lehigh Valley Railroad Company, June 30th, 1904	\$4,635,000 00
Lehigh Valley Transportation Company:—	
Maritime mortgage bonds outstanding June 30th, 1903	\$485,000 00
Paid during the year	120,000 00
Outstanding June 30th, 1904	365,000 00
Total Equipment Trusts and marine obligations	\$5,000,000 00
A decrease of	\$1,032,000 00

CAPITAL STOCK.

The amount of capital stock issued remains unchanged, and consists of:—

806,696 shares common stock, par \$50	\$40,334,800 00
*2,126 shares preferred stock, par \$50	106,300 00
Total capital stock	\$40,441,100 00

INCOME ACCOUNT.

The income account, Table No. 2, published herewith, shows the sources of the Company's income for the year, as follows:—

Gross Earnings from Operations	\$29,881,738 21
Operating Expenses	18,870,301 24
Net Income from Operations	\$11,011,436 97
Other Income	505,477 31
Total Income	\$11,516,914 28
Deductions from Income:—	
Interest on Bonds, Taxes, and other deductions	\$5,796,063 57
Additions and Improvements	1,465,290 31
	7,261,353 88
Net Income Lehigh Valley Railroad Company	\$4,255,560 40
Net Income Lehigh Valley Coal Company and affiliated Coal Companies	856,437 05
Total Net Income	\$5,111,997 45

* Issued September 12th, 1864, in exchange for an equal number of shares of Preferred Stock of the Beaver Meadow Railroad and Coal Company, on the merger of that Company into the Lehigh Valley Railroad Company.

COAL COMPANIES.

The consolidated general balance sheet of the Coal Companies is published herewith, Table 17, showing their financial condition. The subjoined statement shows the funded debt of The Lehigh Valley Coal Company in the hands of the public, and the yearly interest charges thereon:—

NAME.	PRINCIPAL.	DATE OF MATURITY.	YEARLY INTEREST.		
			Rate.	When Due.	Amount.
LEHIGH VALLEY COAL CO.:—					
First mortgage bonds, issue of 1892	\$10,114,000	Jan. 1st, 1933 .	5% gold .	Jan. and July .	\$505,700 00
Snow Shoe mortgage	365,000	Jan. 1st, 1910 .	5% . . .	“ “	18,250 00
5-10 year coal pledge bonds .	2,000,000	Dec. 1st, 1912 .	5% gold .	June and Dec.	100,000 00
Delano Land Co., first mort- gage	1,089,000	Jan. 1st, 1932 .	5% gold .	Jan. and July .	54,450 00
Total June 30th, 1904 . .	\$13,568,000	. . . . .	. . . . .	. . . . .	\$678,400 00

The total production of anthracite coal from the lands owned and controlled by The Lehigh Valley Coal Company and the minor companies in which it and the Lehigh Valley Railroad Company are interested, through ownership of stock, was 7,511,957.10 tons for the fiscal year ended June 30th, 1904, as against 5,936,016.12 tons for the previous year, an increase of 1,575,940.18 tons, or 26.55 per cent. The sources from which this tonnage was derived, for the fiscal years 1900-1, 1901-2, 1902-3, and 1903-4, were as follows:—

	1903-4.	1902-3.	1901-2.	1900-1.
Lehigh Valley Coal Company	4,275,130.12	3,531,677.01	3,049,755.12	3,323,977.02
Tenants of Lehigh Valley Coal Company	1,667,956.12	1,280,416.02	1,250,302.01	1,281,543.10
Minor Companies	1,568,870.06	1,123,923.09	1,320,814.13	1,173,646.05
Total	7,511,957.10	5,936,016.12	5,620,872.06	5,779,166.17

The collieries operated by The Lehigh Valley Coal Company and affiliated coal companies produced during the year 51.73 per cent. of the coal transported by this Company, being a decrease of 5.04 per cent. compared with the previous year.

From the operations on the Snow Shoe property there were mined 169,577.05 tons, as against 314,195.03 tons the previous twelve months.

Improvements and additions made to the various collieries during the year amounted to the sum of \$410,679.85. During the coming year a larger amount of money will be expended for such work in order to put the property on a basis which will admit of the most economical operation. Since the close of the year and after careful consideration of what additional improvements should be made during the fiscal year 1904-5, The Lehigh Valley Coal Company Board has deemed it advisable to transfer from Income Account for this purpose the sum of \$500,000.

The Advance Royalty Account shows an increase of \$122,993.59; yet this amount is considerably less than that of the previous year, \$160,208.23, which, in turn, was considerably below that for the year 1901-2. The increase on this account will cease within the next few years with the improvement and development of the coal properties.

The sinking funds of the several coal mortgages have been fully maintained, and in addition sinking funds have been created which upon the exhaustion of the coal of the Connell, Seneca and Righter Coal Companies will leave no charges standing against the capital stock of those companies.

FINANCIAL.

Pursuant to the recommendations of the special committee embodied in the last annual report, a General Consolidated Mortgage of the Company, securing bonds to the amount of \$150,000,000, was duly executed September 30th, 1903, and placed on record. Your Board, however, has not as yet deemed it advisable to issue any of the bonds authorized under this mortgage.

There were received from the Trustee during the year, under the terms of the Collateral Trust Mortgage, \$1,000,000 Collateral Trust Bonds. \$131,000 Collateral Trust Bonds were sold to the Trustee for sinking fund payments and cancelled. The Mortgage and Collateral Trust Bonds of the Company held in the treasury on June 30th, 1904, and which are available for sale, amount to \$2,611,000.

The \$5,000,000 National Storage Company 4% Trust Certificates due December 8th, 1904, have been extended for a further period of five years, becoming due December 8th, 1909.

Montrose Railway Company Bonds of par value of \$100,000 have been received in part payment of advances made to that Company to cover the expense of standard gauging and for other necessary purposes.

Prior to its consolidation with The Lehigh Valley Rail Way Company, The Seneca County Railway, a corporation all of whose capital stock was owned by the Lehigh Valley Railroad Company, executed its mortgage for \$500,000 securing 500 bonds of \$1,000 each to be issued in payment of advances heretofore made and for the construction of the extension of its railroad to Cayuga. The guarantee of these bonds by the Lehigh Valley Railroad Company was duly authorized by resolution of the Board September 30th, 1903. None, however, have as yet been issued.

Advances to the amount of \$824,015.26 have been made to June 30th, 1904, for expenditures in the construction and equipment of the new shops now in course of erection at Sayre, Pa., on the property of the Consolidated Real Estate Company, of which your Company owns the entire capital stock. For the above amount and for such additional sum as shall be required to complete the shops, the treasury of your Company will be reimbursed through an issue of First Mortgage 5% Bonds of the Consolidated Real Estate Company, maturing February 1st, 1954. The Lehigh Valley Railroad Company has guaranteed the payment of these bonds, both as to principal and interest; and by the terms of the mortgage the title to the property will vest in the Lehigh Valley Railroad Company when all the bonds have been paid. None of these bonds have as yet been issued.

Payments, amounting to \$912,000, were made on account of matured principal of Car Trusts "A," "B," "C," "D," "E," "F," "G," and to the amount of \$120,000 on account of Maritime mortgage bonds of the Lehigh Valley Transportation Company, a total of \$1,032,000.

Coal Companies' Stock Purchase Bonds, amounting to \$245,000, matured during the year and were paid.

The value of material and supplies on hand at the end of the fiscal year amounted to \$1,511,925.15, a decrease, as compared with the previous year, of \$129,996.16.

Included in the Assets is an item of \$313,612.52 representing the cost of 11,004 tons of new rail, which, together with an additional 5,670 tons since purchased, is being laid this season.

The net current assets are \$4,779,398.99 in excess of the current liabilities.

The decrease in Stocks of Other Companies and the increase in Bonds of Other Companies as shown in the General Balance Sheet as having taken place during the year are mainly due to the completion of financial arrangements of the Mutual Elevator Company, organized to purchase the steamship line and elevator property at Buffalo referred to in the last Annual Report, a temporary bond of the Elevator Company in the sum of \$750,000 having been issued to the Lehigh Valley Railroad Company and is now in the treasury.

The two mortgages of the Coal Ridge Improvement and Coal Company, securing issues of bonds amounting to \$384,500, all of which bonds are owned by the Lehigh Valley Railroad Company and were pledged under its Collateral Trust Mortgage, were foreclosed and the property sold under the foreclosure proceedings June 1st, 1904. It was bought in by the Girard Trust Company, trustee under the Collateral Trust Mortgage, and pursuant to the provisions of that mortgage the property was conveyed to a corporation, the Westwood Coal Company, all of whose capital stock is held by the Girard Trust Company, as trustee under that mortgage.

On June 29th, 1904, your Board declared a dividend of Ten per cent. upon the preferred capital stock and a dividend of One per cent. upon the common capital stock of this Company, payable August 1st, 1904.

Your Board has, in accordance with the usual practice, had the Company's accounts for the year examined by certified public accountants, the result of the examination being stated in the accountants' certificate published herewith.

The General Balance Sheet and statements accompanying the report show the financial condition of the Company at the close of the fiscal year.

GENERAL REMARKS.

The progress made during previous years toward the general improvement of the property, such as additions to property and equipment, the erection of shops and other buildings, stone ballasting, construction of new yards, side tracks, &c., was continued throughout the year.

In order to provide increased facilities, more particularly for repairing locomotives, additional shops are now being constructed at Sayre, on which work was commenced in July, 1903, and has progressed favorably throughout the year. The new buildings consist of a main locomotive repair shop, blacksmith shop, central power house and storehouse. The equipment for these shops will be in accordance with the most modern practice. It is expected that the shops will be completed and in operation early in 1905.

The Montrose Railway from Tunkhannock to Montrose, Pa., with a total trackage of 30 miles of narrow gauge, was changed throughout to standard gauge and an extension built to reach a more favorable terminal at Montrose at a cost of \$86,088.08, this amount being advanced by your Company to the Montrose Railway Company, in which corporation the Lehigh Valley Railroad Company owns a controlling interest. This improvement will eliminate the transfer of all freight with this line, will greatly expedite and improve the service and particularly extend the excursion business.

Calypso Island just west of South Bethlehem, was purchased during the year at a cost of \$20,000. Changing and filling in the river channel will improve the alignment and provide additional yard room.

The elimination of the grade crossing at Cayuta Street, Sayre, by the construction of a highway viaduct over the main and yard tracks west of Sayre, has been completed during the year at an expense of \$28,467.91. Grade crossings at Center Street and Lehigh Street, Easton and Church Street, Slatington, were abandoned.

At Tift Farm 1,000 feet of wharf frontage along the ore docks were rebuilt; heavy renewals were made to the coal shipping trestle, and the floors of the lake freight houses were renewed. Extensive dredging of the canal was also found necessary. The aggregate cost of this work was \$54,837.91.

The work in connection with the construction of a single track on the line of the Lehigh & Lake Erie Railroad from the Buffalo Creek Railroad to a connection with the South Buffalo Railroad at Collingwood Avenue, Buffalo, has been completed at an additional expense of \$16,573.97.

To facilitate the movement of through trains and the handling of traffic at Sayre, two additional tracks from Sayre to Athens were built and the tracks in the lower yard extended. The cost of same, including interlocking plant, was \$23,665.50.

The extension of the Seneca Falls branch from the present terminus to a connection with the Auburn and Ithaca branch at Cayuga, N. Y., was commenced during the year and \$31,706.88 expended therefor. This extension, when completed, will reduce the distance from Geneva to Auburn by 56.2 miles, affording a short route for business in that territory and provide an important connection between the main line and the Auburn Division.

A coal storage plant, having a capacity of 250,000 tons, for the storage of the smaller sizes of steam coal, was established at Richard Farm at a cost of \$11,891.40.

A new excursion park, including passenger platforms, pavilions, &c., was established on property in the vicinity of Pattenburg, known as "Bellewood Park."

A new open Pier, "L," was constructed at Jersey City during the year to replace Pier "H" which was destroyed by fire. The destroyed superstructure of Pier "H," formerly used for storage facilities, has been replaced by the construction of a two-story Pier, "E," at Washington Street.

During the year a tract of land comprising 58.547 acres, known as the "Cottle" property, adjoining the Tift Farm terminal at Buffalo and necessary to the integrity of the terminal property at that point, was purchased at a cost of \$320,028.50.

For the purpose of increasing freight facilities at Wilkes Barre, additional land consisting of 6.473 acres was purchased at a total cost of \$165,000.

Air brakes were applied to 4,307 freight equipment ears, at a cost of \$282,466.67, which was charged to Operating Expenses.

Air brake testing plants were installed at Oak Island, Falling Springs, Sayre and Manchester.

The results accomplished by the Industrial Department, which was established late in the fiscal year 1902-3, have been very encouraging. Fifty-seven new industries have been located on this Company's tracks during the past fiscal year, from which source much new traffic will be derived and which will, no doubt, materially increase in volume as the industries become more thoroughly established. Track connections were made during the year with 48 of the above industries.

The contract with the United States Express Company was renewed for two years from June 1st, 1904 (the date of its expiration), under terms more favorable to your Company.

A new contract with the Delaware, Susquehanna & Schuylkill Railroad Company, dated April 1st, 1904, for a term of fifteen years from July 1st, 1904, has been executed, being an extension, with some modifications of the former contract with that Company, granting to it certain trackage rights for transportation of coal to Perth Amboy.

At the session of the New Jersey Legislature of 1903 a Commission consisting of ex-Governors George T. Werts, John W. Griggs and Foster M. Voorhees was appointed to examine into the question of the abandonment of the Morris Canal for navigation and to report to the next Legislature. This Commission after an exhaustive examination reported at the session of 1904 in favor of abandonment and disposal of the property, but action has not as yet been authorized by the Legislature.

56.76 per cent. of the total Operating Expenses, or \$10,711,445.14, was paid by the Company direct to labor, being distributed among 19,039 employes.

Mr. Edward B. Smith was elected a Director on January 20th, 1904, to fill the vacancy caused by the resignation of Mr. J. Rogers Maxwell.

Mr. J. A. Middleton, Second Vice-President, was on July 15th, 1903, placed in charge of the Traffic Department, Mr. H. H. Kingston, General Traffic Manager, having resigned to engage in other business.

Mr. J. W. Platten was appointed Assistant to the President on July 15th, 1903, in charge of the Financial and Accounting affairs of the Company and of its Purchasing Department.

Mr. J. M. Baxter was elected Assistant Treasurer on November 18th, 1903, vice Mr. F. E. Knorr, resigned.

The Board hereby tenders its thanks to the officers and employes of the Company for their efficient and faithful services during the year.

By order of the Board of Directors,

E. B. THOMAS,
President.

HASKINS & SELLS,
CERTIFIED PUBLIC ACCOUNTANTS,
30 Broad Street, New York.

LONDON, E. C.,
30 Coleman Street.

Cable Address, "HASKSELLS."

CHICAGO,
204 Dearborn Street.

ST. LOUIS,
Lincoln Trust Building.

CLEVELAND,
Williamson Building.

PITTSBURG,
Farmers Bank Building.

NEW YORK, September 3rd, 1904.

Mr. E. B. Thomas, President, Lehigh Valley Railroad Company:

We have examined the books and accounts of the Lehigh Valley Railroad Company, the Lehigh Valley Coal Company, and Affiliated Coal Companies for the fiscal year ended June 30th, 1904, have verified all cash and security balances by actual count or comparisons with receipts and certificates of deposit, and

We hereby certify that the accompanying general balance sheets and statements of income and profit and loss correctly set forth the financial condition of the companies June 30th, 1904, and the results of their operations for the fiscal year ended on that date.

(Signed) HASKINS & SELLS,
Certified Public Accountants.

APPENDIX.



TABLES.

NO.	PAGE
1. Mileage of track operated	25-27
2. Income account	28
3. Profit and loss	29
4. Condensed general balance sheet	30-31
5. Funded debt, interest, guaranties, rentals, and equipment trusts	32-33
6. Securities owned	34-35
7. Income from other sources	36
8. Due by railroad and water lines	37
9. Monthly earnings and expenses	38-39
10. Earnings and expenses for years 1895 to 1904, inclusive	40
11. Inventory of equipment	41
12. Earnings and expenses in detail—comparative	42-45
13. Performance of locomotives	46-47
14. Engine, train, and car statistics	48
15. Mileage, haul, load, rate, &c.	49
16. Analysis of traffic earnings and expenses	50-51
17. Consolidated balance sheet, Lehigh Valley Coal Company and Affiliated Coal Companies	52-53



STATEMENT OF MILEAGE OF TRACK OPERATED.

TABLE 1.

OWNED BY LEHIGH VALLEY RAILROAD OR CONTROLLED BY OWNERSHIP OF ENTIRE CAPITAL STOCK.	FIRST TRACK. MILES.	SECOND TRACK. MILES.	THIRD TRACK. MILES.	YARD TRACKS AND SIDINGS. MILES.	TOTAL TRACKS MILES.
Lehigh Valley Railroad of New Jersey, Jersey City to Phillipsburg, N. J. :—					
Main Line	75.07	75.07	19.34	113.13	282.61
Branches	35.41	10.73	. . . .	81.87	128.01
National Docks Railway	8.59	7.95	. . . .	21.92	38.46
Lehigh Valley Railroad, Phillipsburg, N. J., to Wilkes- Barre, Pa. :—					
Main Line	98.82	87.71	7.72	158.25	352.50
Branches	16.65	2.62	. . . .	16.33	35.60
Easton and Northern Railroad, Thirteenth Street Junc- tion to L. V. R. R. connection, Easton, Pa. . . .	4.64	. . . .	. . . .	.17	4.81
Mahanoy and Hazleton Division :—					
Main Line and Main Branches	110.00	66.24	. . . .	91.28	267.52
Minor Branches to Breakers, &c.	55.02	. . . .	. . . .	30.24	85.26
Mountain Cut-Off, Fairview to Avoca, Pa.	18.62	18.15	. . . .	4.78	41.55
Wyoming Division Branches	12.52	. . . .	. . . .	4.75	17.27
Bowman's Creek Branch, Port Bowkley to Bernice, Pa., and branches	50.29	. . . .	. . . .	9.58	59.87
Pennsylvania and New York Railroad :—					
Main Line, Wilkes-Barre, Pa., to Pennsylvania State Line	96.57	96.57	1.30	139.26	333.70
Branches	43.15	1.56	. . . .	36.41	81.12
Lehigh Valley Rail Way, Pennsylvania State Line to Buffalo, N. Y.	175.16	175.16	. . . .	155.71	506.03
Waverly Branch, Pennsylvania State Line to Waverly, N. Y. . . . .	.41	. . . .	. . . .	1.42	1.83
Ithaca Branch, Van Etten Jc. to Geneva Jc., N. Y. .	59.49	. . . .	. . . .	16.50	75.99
Auburn and Ithaca Branch, Ithaca to Auburn, N. Y.,	42.46	. . . .	. . . .	8.50	50.96
Cayuga Branch, Cayuga Junction to Cayuga, N. Y.,	3.75	. . . .	. . . .	1.05	4.80
Rochester Branch, Rochester to Hemlock Lake, N. Y.	29.67	. . . .	. . . .	8.78	38.45
Niagara Falls Branch, Depew Junction to Tonawanda Junction, N. Y.	10.56	10.39	. . . .	2.22	23.17
Naples Branch, Geneva to Naples, N. Y.	29.42	. . . .	. . . .	3.69	33.11
Seneca Falls Branch, Geneva Junction to Seneca Falls, N. Y.	8.20	. . . .	. . . .	1.83	10.03
Elmira, Cortland and Northern Railroad, Elmira to Camden N. Y.	139.14	. . . .	. . . .	31.27	170.41
Total	1,123.61	552.15	28.36	938.94	2,643.06

STATEMENT OF MILEAGE OF TRACK OPERATED.—(Continued.)

CONTROLLED BY OWNERSHIP OF MAJORITY OF CAPITAL STOCK.	FIRST TRACK. MILES.	SECOND TRACK. MILES.	THIRD TRACK. MILES.	YARD TRACKS AND SIDINGS. MILES.	TOTAL TRACKS. MILES.
Schuylkill and Lehigh Valley Railroad, Lizard Creek Junction to Blackwood, Pa.	41.69	. . . . .	. . . . .	6.20	47.89
Montrose Railway, Tunkhannock to Montrose, Pa.	27.35	. . . . .	. . . . .	2.90	30.25
Lehigh and New York Railroad, Pennsylvania State Line to North Fair Haven, N. Y.	115.37	. . . . .	. . . . .	30.49	145.86
Total	184.41	. . . . .	. . . . .	39.59	224.00
CONTROLLED BY LEASES.	FIRST TRACK. MILES.	SECOND TRACK. MILES.	THIRD TRACK. MILES.	YARD TRACKS AND SIDINGS. MILES.	TOTAL TRACKS. MILES.
State Line and Sullivan Railroad, Monroeton to Bernice, Pa.	24.06	. . . . .	. . . . .	5.19	29.25
Hayt's Corners, Ovid and Willard Railroad, Hayt's Corners to Willard, N. Y.	3.82	. . . . .	. . . . .	.30	4.12
Total	27.88	. . . . .	. . . . .	5.49	33.37
TRackage RIGHTS.	FIRST TRACK. MILES.	SECOND TRACK. MILES.	THIRD TRACK. MILES.	YARD TRACKS AND SIDINGS. MILES.	TOTAL TRACKS. MILES.
Pennsylvania Railroad, Schuylkill Division, Spring Garden Junction to Pottsville, Pa.	4.20	. . . . .	. . . . .	. . . . .	4.20
Pennsylvania Railroad, West Newark Junction to Jer- sey City, N. J.	9.40	9.40	. . . . .	. . . . .	18.80
Philadelphia and Erie Railroad, New Boston Junction to Pottsville, Pa.	10.90	. . . . .	. . . . .	. . . . .	10.90
Central Railroad of New Jersey, Sandy Run Junction to Crellin Junction, Pa.	5.91	. . . . .	. . . . .	. . . . .	5.91
Barclay Railroad, Barclay Junction to Monroeton, Pa.	4.00	. . . . .	. . . . .	. . . . .	4.00
New York Central Railroad, Tonawanda Junction to Suspension Bridge, N. Y.	14.96	12.80	. . . . .	. . . . .	27.76
Total	49.37	22.20	. . . . .	. . . . .	71.57

STATEMENT OF MILEAGE OF TRACK OPERATED.—*Continued.*

OWNED, NOT OPERATED, BY THIS COMPANY.	FIRST TRACK. MILES.	SECOND TRACK. MILES.	THIRD TRACK. MILES.	YARD TRACKS AND SIDINGS. MILES.	TOTAL TRACKS. MILES.
Easton and Northern Railroad, Easton to Belfast, Pa., leased to Bangor and Portland Railway	8.14	. . . . .	. . . . .	2.77	10.91
Total	8.14	. . . . .	. . . . .	2.77	10.91

RECAPITULATION.	FIRST TRACK. MILES.	SECOND TRACK. MILES.	THIRD TRACK. MILES.	YARD TRACKS AND SIDINGS. MILES.	TOTAL TRACKS. MILES.
Owned or controlled by ownership of entire stock . .	1,123.61	552.15	28.36	938.94	2,643.06
Controlled by ownership of majority of stock	184.41	. . . . .	. . . . .	39.59	224.00
Controlled by leases	27.88	. . . . .	. . . . .	5.49	33.37
Trackage rights	49.37	22.20	. . . . .	. . . . .	71.57
Owned, not operated	8.14	. . . . .	. . . . .	2.77	10.91
Total	1,393.41	574.35	28.36	986.79	2,982.91

MILEAGE BY STATES.	FIRST TRACK. MILES.	SECOND TRACK. MILES.	THIRD TRACK. MILES.	YARD TRACKS AND SIDINGS. MILES.	TOTAL TRACKS. MILES.
Pennsylvania	632.52	272.85	9.02	508.11	1,422.51
New York	632.41	198.35	. . . . .	263.14	1,093.90
New Jersey	128.48	103.15	19.34	215.54	466.50
Total	1,393.41	574.35	28.36	986.79	2,982.91

COMPARATIVE INCOME ACCOUNT FOR THE YEARS ENDED JUNE 30TH,
1904 AND 1903.

TABLE 2.

LEHIGH VALLEY RAILROAD COMPANY.	1904	1903	INCREASE.	DECREASE.
GROSS EARNINGS:—				
Coal earnings	\$12,835,076 24	\$10,104,764 40	\$2,730,311 84	
Other freight earnings	11,994,700 77	11,609,706 36	384,994 41	
Passenger earnings	3,155,715 13	3,191,638 63		\$35,923 50
Express earnings	306,024 77	278,399 62	27,625 15	
Mail earnings	207,692 26	204,659 92	3,032 34	
Miscellaneous earnings	1,382,529 04	1,265,334 33	117,194 71	
Total gross earnings	\$29,881,738 21	\$26,654,503 26	\$3,227,234 95	
OPERATING EXPENSES:—				
Maintenance of way and structures	\$3,058,203 40	\$4,099,168 88		\$1,040,965 48
Maintenance of equipment	4,744,232 02	4,694,395 07	\$49,836 95	
Conducting transportation	10,471,970 49	9,567,083 09	904,887 40	
General expenses	595,895 33	619,532 62		23,637 29
Total operating expenses	\$18,870,301 24	\$18,980,179 66		\$109,878 42
Percentage, operating expenses to gross earnings	63.15 per cent.	71.21 per cent.		8.06 per cent.
NET EARNINGS	\$11,011,436 97	\$7,674,323 60	\$3,337,113 37	
OTHER INCOME:—				
Dividends on stocks	\$107,661 10	\$183,161 80		\$75,500 70
Interest on bonds	123,070 00	93,070 00	30,000 00	
Interest on real estate mortgages	23,122 50	38,522 56		15,400 06
Miscellaneous interest	103,012,99	70,196 01	32,816 98	
Rents, Easton and Northern Railroad	17,801 00	22,819 93		5,018 93
Operation of water lines, net	*13,315,08	120,584 69		133,899 77
Operation of National Storage Co., net,	48,059 87		48,059 87	
Operation of coal shipping and storage plants, net	96,064 93	109,237 46		13,172 53
Total other income	\$505,477 31	\$637,592 45		\$132,115 14
TOTAL INCOME	\$11,516,914 28	\$8,311,916 05	\$3,204,998 23	
DEDUCTIONS FROM INCOME:—				
Additions and improvements to property,	1,465,290 31	1,266,182 09	199,108 22	
Interest on funded debt	2,285,500 00	2,285,500 00		
Interest on coal companies' stock purchase bonds	34,883 34	44,683 33		\$9,799 99
Interest on National Storage Company trust certificates	200,000 00	200,000 00		
Interest on equipment trust obligations	258,727 50	276,742 50		18,015 00
Rentals of leased lines and guaranties	2,304,473 00	2,304,473 00		
Taxes	679,812 83	646,073 12	33,739 71	
Miscellaneous deductions	32,666 90	176,672 92		144,006 02
Total deductions from income	\$7,261,353 88	\$7,200,326 96	\$61,026 92	
NET INCOME	\$4,255,560 40	\$1,111,589 09	\$3,143,971 31	
LEHIGH VALLEY COAL COMPANY AND AFFILIATED COAL COMPANIES.				
NET INCOME	856,437 05	895,918 46		\$39,481 41
TOTAL NET INCOME	\$5,111,997 45	\$2,007,507 55	\$3,104,489 90	

* Deficit.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30TH, 1904.

TABLE 3. LEHIGH VALLEY RAILROAD COMPANY.

	DR.	CR.
Balance surplus, July 1st, 1903		\$1,620,681 66
Miscellaneous adjustments		38,554 68
Net income for the year ended June 30th, 1904, Table No. 2		4,255,560 40
Balance surplus, June 30th, 1904	\$5,914,796 74	
	\$5,914,796 74	\$5,914,796 74
Balance carried forward, July 1st, 1904		\$5,914,796 74

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30TH, 1904.

LEHIGH VALLEY COAL COMPANY AND AFFILIATED COAL COMPANIES.

	DR.	CR.
Balance surplus, July 1st, 1903		\$1,701,680 95
Miscellaneous adjustments	\$31,116 58	
Net income for year ended June 30th, 1904, Table No. 2		856,437 05
Balance surplus, June 30th, 1904	2,527,001 42	
	\$2,558,118 00	\$2,558,118 00
Balance carried forward, July 1st, 1904		\$2,527,001 42

TABLE 4.

CONDENSED BALANCE SHEET, JUNE 30TH, 1904.

Dr.

LEHIGH VALLEY RAILROAD COMPANY.

ASSETS, JUNE 30th, 1904.			CHANGES.	
			INCREASE.	DECREASE.
RAILROAD.				
Cost of road	\$18,639,291 95			
EQUIPMENT	27,796,311 99			
MORTGAGE AND COLLATERAL TRUST BONDS OF THE COMPANY HELD IN ITS TREASURY	2,611,000 00	\$869,000 00		
MORTGAGE AND COLLATERAL TRUST BONDS OF THE COMPANY IN HANDS OF TRUSTEE OF NATIONAL STORAGE COMPANY TRUST CERTIFICATES	2,000,000 00			
TREASURY STOCK	250 00	250 00		
REAL ESTATE	1,570,796 83	63,687 00		
CONSTRUCTION, NEW SHOPS, SAYRE	824,015 26	824,015 26		
MORTGAGES RECEIVABLE	395,458 23			\$688 97
SECURITIES OWNED.				
Stocks of railroad and water lines in- cluded in Lehigh Valley system	\$18,067,014 34	843 00		
Stocks of allied coal companies	2,765,829 06			83,675 23
Stocks of other companies	6,733,347 00			681,905 87
Bonds of railroad and water lines in- cluded in Lehigh Valley system	3,498,926 00	100,000 00		
Bonds of The Lehigh Valley Coal Com- pany	6,400,000 00			
Bonds of other coal companies	925,079 78			45,173 74
Bonds of other companies	785,807 87	706,806 87		
Car Trust certificates, Lehigh Valley Terminal Railway	900,000 00			
OTHER PERMANENT INVESTMENTS.	40,076,004 05			
Advances to railroad and water lines included in Lehigh Valley system, for property. (See Table 8.)	7,017,322 79	307,892 67		
ADVANCED INSURANCE PREMIUMS	31,806 59			28,105 58
CURRENT ASSETS.				
Cash on deposit and in hands of Treasurer	\$4,671,213 75	2,637,759 23		
Cash in hands of officers and agents	89,624 73			60,078 25
Cash in transit	553,799 25	342,471 88		
Due by station agents	866,703 76			462,939 66
Due by individuals and companies	1,203,143 26			252,012 71
Traffic balances due by other companies	409,153 38			537,776 55
Advances to other companies	368,249 55			194,967 60
Material and supplies on hand	1,511,925 15			129,996 16
DEFERRED AND SUSPENDED ASSETS.	9,673,812 83			
New rails	\$313,612 52	313,612 52		
Sundry accounts	91,954 43	91,954 43		
	405,566 95			
TOTAL ASSETS	\$111,041,637 47	\$3,780,972 54		

AND COMPARISON WITH JUNE 30TH, 1903.

LEHIGH VALLEY RAILROAD COMPANY.

Cr.

LIABILITIES, JUNE 30th, 1904.		CHANGES.	
		INCREASE.	DECREASE.
CAPITAL STOCK	\$40,441,100 00		
FUNDED DEBT	46,511,000 00	\$869,000 00	
COAL COMPANIES' STOCK PURCHASE BONDS*	680,000 00		\$245,000 00
NATIONAL STORAGE COMPANY TRUST CERTIFICATES	5,000,000 00		
EQUIPMENT TRUST OBLIGATIONS	4,635,000 00		912,000 00
RESERVES.			
Equipment renewal reserve	\$597,984 77		67,789 88
Other reserves	594,523 70		72,796 85
	1,192,508 47		
MORTGAGES ON REAL ESTATE	261,927 21		
INTEREST AND RENTALS ACCRUED, NOT DUE.			
Interest on funded debt	\$328,375 00		
Interest on equipment trusts	64,375 01		13,387 50
Accrued rentals, leased lines	385,735 82		
Interest on National Storage Company trust certificates	50,000 00		
Interest on Coal Companies' Stock Purchase Bonds	5,466 67		2,116 66
	833,952 50		
CURRENT LIABILITIES.			
Sterling bond matured, not presented, Interest on bonds due and unclaimed	\$42,443 50		1,000 00
Rentals of leased lines due	346,500 00		7,282 75
June pay roll, since paid	946,066 94		
Audited vouchers, including June bills, since paid	1,608,767 55	75,244 16	
Due to individuals and companies	944,074 47		826,995 82
Traffic balances due to other companies	439,802 41	233,298 37	
Unclaimed wages	16,385 43	216,556 01	
Taxes accrued	249,412 70	3,532 22	
Employees' pension fund	908 78		61,422 85
Bills payable	300,052 06		25,060 05
	4,894,413 84	300,052 06	
DEFERRED AND SUSPENDED LIABILITIES.			
Taxes accrued, not due	\$234,667 02		8,332 98
Sundry accounts	442,271 69	32,359 98	
	676,938 71		
PROFIT AND LOSS	5,914,796 74	4,294,115 08	
TOTAL LIABILITIES	\$111,041,637 47	\$3,780,972 54	

* See Table 5 for details.

STATEMENT OF FUNDED DEBT, YEARLY INTEREST, GUARANTIES, AND RENTALS
OF LEASED LINES.

TABLE 5.

	PRINCIPAL.	DATE OF MATURITY.	ACCRUED INTEREST.		
			Rate.	Due.	Amount.
Lehigh Valley R. R. Co.:—					
First mortgage bonds	\$5,000,000	June 1st, 1948 . .	4% gold	June and Dec. .	\$200,000 00
Second mortgage bonds	6,000,000	Sept. 1st, 1910 . .	7% . . .	Mar. and Sept.	420,000 00
Consolidated mortgage bonds:—					
Coupon \$1,319,000		Dec. 1st, 1923 . .	6% . . .	June and Dec. .	
Registered 4,319,000		"	6% . . .	"	
Annuity 10,062,000		Perpetual	6% . . .	"	
	15,700,000				942,000 00
Coupon \$1,669,000		Dec. 1st, 1923 . .	4½% . . .	"	
Registered 3,093,000		"	4½% . . .	"	
Annuity 2,538,000		Perpetual	4½% . . .	"	
	7,300,000				328,500 00
Mortgage and collateral trust bonds	12,511,000	May 1st, 1997 . .	5% gold	May and Nov.	625,550 00
		Total			\$2,516,050 00
		Deduct interest on mortgage and collateral trust bonds held in treasury and in the hands of Trustee			230,550 00
Total	\$46,511,000				\$2,285,500 00
Coal Companies' Stock Purchase Bonds:—					
Seneca Coal Company	\$300,000	{ \$100,000 annually June 1st, 1907. \$100,000 annually March 1st, 1906. \$45,000 annually April 1st, 1908.	4% gold	June and Dec.	\$15,666 67
Connell Coal Company	200,000		4% gold	Mar. and Sept.	10,666 67
Righter Coal Company	180,000		4% gold	April and Oct.	8,550 00
Total	\$680,000				\$34,883 34
National Storage Co. trust certificates . . .	\$5,000,000	Dec. 8th, 1909 . .	4% gold .	April and Oct. .	\$200,000 00
Lehigh Valley Terminal Ry. Co.:—					
First mortgage bonds	\$10,000,000	October 1st, 1941	5% gold .	April and Oct. .	\$500,000 00
Easton and Amboy R. R. Co.:—					
First mortgage bonds	6,000,000	May 1st, 1920 . .	5% . . .	May and Nov. .	300,000 00
Morris Canal and Banking Co.:—					
Preferred stock \$903,600			10% . . .		90,360 00
Consolidated stock 706,700			4% . . .		28,268 00
	1,610,300				
Easton and Northern R. R. Co.:—					
First mortgage bonds	51,000	Nov. 1st, 1935 . .	4½% gold	May and Nov. .	2,295 00
Penna. and New York Canal and R. R. Co.:—					
First mortgage bonds \$1,500,000		June 1st, 1906 . .	7% . . .	June and Dec. .	105,000 00
Consolidated mortgage bonds 4,000,000		April 1st, 1939 . .	5% . . .	April and Oct. .	200,000 00
Consolidated mortgage bonds 1,500,000		"	4½% . . .	"	67,500 00
Consolidated mortgage bonds 3,000,000		"	4% . . .	"	120,000 00
	10,000,000				
The Lehigh Valley Rail Way Company:—					
First mortgage bonds	15,000,000	July 1st, 1940 . .	4½% gold	Jan. and July .	675,000 00
Lehigh and New York R. R. Co.:—					
First mortgage bonds	2,000,000	Sept. 1st, 1945 . .	4% gold .	March and Sept.	80,000 00
Elmira, Cortland and Northern R. R. Co.:—					
First preferred mortgage bonds, \$750,000		April 1st, 1914 . .	6% gold .	April and Oct. .	45,000 00
First mortgage bonds 1,250,000		"	5% gold .	"	62,500 00
	2,000,000				
Canastota Northern R. R. Co.:—					
First mortgage bonds	300,000	July 1st, 1906 . .	6% gold .	Jan. and July .	18,000 00
Middlesex Valley R. R. Co.:—					
First mortgage bonds	211,000	Nov. 1st, 1942 . .	5% gold .	May and Nov. .	10,550 00
Total	\$47,172,300				\$2,304,473 00
Grand total, June 30th, 1904	\$99,363,300				\$4,824,856 34

STATEMENT OF EQUIPMENT TRUSTS AND MARINE OBLIGATIONS.

	PRINCIPAL.	DATE OF MATURITY.	INTEREST.	
			Rate.	Due.
Lehigh Valley R. R. Co. :—				
Car trust, series A, bonds	\$200,000	{ \$50,000 semi-annually to February 1st, 1906. }	5% gold	Feb. and Aug.
Car trust, series B, bonds	125,000	{ \$25,000 semi-annually to August 1st, 1906. }	5% gold	Feb. and Aug.
Equipment trust, series C, certificates	1,000,000	{ \$200,000 annually to June 1st, 1909. }	4½% gold	June and Dec.
Equipment trust, series D, certificates	1,800,000	{ \$300,000 annually to March 1st, 1910. }	4½% gold	Mar. and Sept.
Equipment trust, series E, certificates	410,000	{ \$82,000 annually to February 1st, 1909. }	4½% gold	Feb. and Aug.
Equipment trust, series F, certificates	400,000	{ \$80,000 annually to May 1st, 1909. }	4½% gold	May and Nov.
Equipment trust, series G, certificates	700,000	{ \$100,000 annually to August 1st, 1910. }	4½% gold	Feb. and Aug.
Total	\$4,635,000			
Lehigh Valley Transportation Company :—				
Maritime mortgage bonds	\$365,000	{ \$120,000 annually to May 1st, 1907. }	5% gold	May and Nov.
Total June 30th, 1904	\$5,000,000			

STATEMENT OF SECURITIES OWNED.

TABLE 6.

BONDS.		BONDS.	EACH.	PAR VALUE.	TOTAL.
*Coal Ridge Improvement and Coal Co., dated May 27th, 1867		I	\$184,500	\$184,500 00	
*Coal Ridge Improvement and Coal Co., dated June 1st, 1874		400	500	200,000 00	
*Greenville and Hudson Ry. Co.		7	50,000	350,000 00	
*Lehigh Valley Coal Co., dated October 1st, 1892		1,400	1,000	1,400,000 00	
*Lehigh Valley Coal Co., dated April 30th, 1897		I	5,000,000	5,000,000 00	
*Lehigh Valley Terminal Ry. Co. Car Trust		900	1,000	900,000 00	
*Morris Canal and Banking Co.		50	10,000	500,000 00	
*Rochester Southern R. R. Co.		425	1,000	425,000 00	
*Schuylkill and Lehigh Valley R. R. Co.		2,000	1,000	2,000,000 00	
*Hazleton Coal Co.		1,844	1,000	1,844,000 00	
Glen Summit Hotel and Land Co.		158	500	79,000 00	
Mansion House Hotel Co.		14	500	7,000 00	
Middlesex Valley R. R. Co.		389	1,000	389,000 00	
Montrose Railway Co.		10	10,000	100,000 00	
Mutual Elevator Co.		I	750,000	750,000 00	
Paxinosa Inn Co.		2	500	1,000 00	
Paxinosa Inn Co.		2	200	400 00	
STOCKS.		SHARES.			\$14,129,900 00
*Anthracite Coal and Improvement Co.		12,993	20	\$259,860 00	
*Buffalo Creek R. R. Co.		1,250	\$100	125,000 00	
*Elmira Transfer Ry. Co.		100	100	10,000 00	
*Highland Coal Co.		2,400	50	120,000 00	
*Wyoming Valley Coal Co.		9,222	100	922,200 00	
¶*Canal R. R. Co.		6,000	10	60,000 00	
¶*Canastota Northern R. R. Co.		2,000	100	200,000 00	
¶*Easton and Northern R. R. Co.		6,000	50	300,000 00	
¶*Elmira, Cortland and Northern R. R. Co.		20,000	100	2,000,000 00	
¶*Hazleton Coal Co.		10,000	.50	500,000 00	
¶*Lehigh and New York R. R. Co., preferred		21,485	100	2,148,500 00	
¶*Lehigh Valley Coal Co.		13,000	50	650,000 00	
¶*The Lehigh Valley Rail Way Company		77,200	100	7,720,000 00	
†¶*Lehigh Valley Railroad Co. of N. J.		164,540	100	16,454,000 00	
¶*Lehigh Valley Transportation Company		7,500	100	750,000 00	
¶*Loyalsock R. R. Co.		6,000	50	300,000 00	
¶*Mineral Spring Coal Co.		3,000	100	300,000 00	
¶*New York and Middle Coal Field R. R. and Coal Co.		42,446	25	1,061,150 00	
¶*Schuylkill and Lehigh Valley R. R. Co.		39,981	50	1,999,050 00	
¶*Westwood Coal Co.		3,300	50	165,000 00	
¶*Wilkes-Barre and Harvey's Lake R. R. Co.		3,000	50	150,000 00	
¶*Coal Ridge Improvement and Coal Co.		53,878	25	1,346,950 00	
¶*Coal Ridge Improvement and Coal Co., preferred		4,931	25	123,275 00	
¶*Pennsylvania and New York Canal and R. R. Co.		21,028	50	1,051,400 00	
¶*National Storage Co.		24,000	100	2,400,000 00	
†¶*National Docks Ry. Co.		38,540	100	3,854,000 00	
Amount carried forward				\$44,970,385 00	\$14,129,900 00

* Covered by mortgage and collateral trust deed. ¶ Covered by General Consolidated Mortgage.

† Lehigh Valley R. R. Co. of N. J. owns 19,270 shares, of which 19,260 shares are pledged under National Storage Trust Agreement.

† Lehigh Valley R. R. Co. of N. J. owns 60,000 shares.

STATEMENT OF SECURITIES OWNED.—(Continued.)

STOCKS.—Continued.	SHARES.	EACH.	PAR VALUE.	TOTAL.
Amount brought forward			\$44,970,385 00	\$14,129,900 00
Buffalo, Thousand Islands and Portland R. R. Co.	2,500	\$100	250,000 00	
Connell Coal Co.	5,000	100	500,000 00	
Consolidated Real Estate Co.	100	50	5,000 00	
Cosmopolitan Shipping Co.	100	100	10,000 00	
Delano Water Co.	200	\$5 paid.	1,000 00	
Glen Summit Hotel and Land Co.	350	100	35,000 00	
Hazleton Water Co.	5,000	50	250,000 00	
Hazle Water Co.	100	\$5 paid.	500 00	
Island R. R. Co.	500	100	50,000 00	
Jersey City Belt Line Ry. Co.	600	\$20 paid.	12,000 00	
Lehigh and Lake Erie R. R. Co.	250	\$100	25,000 00	
Lehigh Valley Railroad Co.	5	50	250 00	
Locust Mountain Coal and Iron Co.	27	50	1,350 00	
Locust Mountain Water Co.	1,000	50	50,000 00	
Mansion House Hotel Co.	200	50	10,000 00	
Montrose Ry. Co.	3,526	50	176,300 00	
Morris Canal and Banking Co., consolidated	3,183	100	318,300 00	
Morris Canal and Banking Co., preferred	2,714	100	271,400 00	
Morris Canal and Banking Co., scrip			56,597 50	
Mutual Elevator Co.	150	100	15,000 00	
Newark Bay Ry. Co.	500	\$20 paid.	10,000 00	
Packer Coal Co.	76	50	3,800 00	
Penn Haven Junction and Glen Onoko R. R. Co.,	1,200	\$5 paid.	6,000 00	
People's Ry. Co.	348	\$20 paid.	6,960 00	
Philadelphia Bourse, common	30	50	1,500 00	
Philadelphia Bourse, preferred	23	25	575 00	
Philadelphia Harbor Transfer			20,000 00	
Pioneer Real Estate Co.	25	100	2,500 00	
Righter Coal Co.	3,000	100	300,000 00	
Seneca Coal Co.	1,000	100	100,000 00	
Stony Creek R. R. Co.	400	50	20,000 00	
United Real Estate Co.	10	100	1,000 00	
Weatherly Water Co.	600	10	6,000 00	
Wright Township Water Co.	100	\$5 paid.	500 00	
				47,486,917 50
Total par value				\$61,616,817 50

SUMMARY.

Value of bonds as per books	\$12,509,813 65
Value of stocks as per books	35,493,190 40
Total	\$48,003,004 05
Total par value of bonds and stocks	\$61,616,817 50
Value as per Lehigh Valley R. R. Co. books	\$40,076,004 05
Value as per Lehigh Valley Railroad Co. of N. J. books	7,927,000 00
Total book value of bonds and stocks	\$48,003,004 05

INCOME FROM INVESTMENTS AND OTHER SOURCES FOR THE
YEAR ENDED JUNE 30TH, 1904.

TABLE 7.

DIVIDENDS ON STOCKS:—

New York and Middle Coal Field Railroad and Coal Company	\$89,136 60	
Highland Coal Company	13,200 00	
Buffalo Creek Railroad Company	4,375 00	
People's Railway Company	522 00	
Weatherly Water Company	360 00	
Locust Mt. Coal and Iron Company	67 50	
		\$107,661 10

INTEREST ON BONDS:—

Lehigh Valley Coal Company	\$70,000 00	
Coal Ridge Improvement and Coal Company	23,070 00	
Mutual Elevator Company	30,000 00	
		123,070 00
INTEREST ON MORTGAGES		23,122 50

INCOME FROM OTHER SOURCES:—

Interest receivable	\$103,012 99	
Easton and Northern Railroad, net earnings	17,801 00	
National Storage Company, net earnings	48,059 87	
		168,873 86
Total		\$422,727 46

MISCELLANEOUS EARNINGS.

Trackage	\$730,150 97
Car service	284,178 35
Rents	174,327 50
Excess baggage and storage	34,126 53
Hire of equipment	20,718 99
Dining Car Earnings	12,417 41
Telegraph earnings	12,262 83
News stand earnings	6,838 25
Chair car earnings	5,102 25
Storage, &c.	102,405 96
Total	\$1,382,529 04

STATEMENT OF AMOUNTS DUE BY RAILROAD AND WATER LINES IN LEHIGH
VALLEY SYSTEM FOR ADVANCES ON ACCOUNT OF
CONSTRUCTION AND NEW PROPERTY.

TABLE 8.

RAILROADS:—

Easton and Northern Railroad Company	\$516,791 80	
Elmira, Cortland and Northern Railroad Company	1,046 45	
Jersey City Belt Line Railway Company	44,881 76	
Lehigh and Lake Erie Railroad Company	578,397 84	
Lehigh Valley Railroad Company of New Jersey	628,662 66	
The Lehigh Valley Rail Way Company	4,385,213 96	
Loyalsock Railroad Company	172,840 09	
Montrose Railway Company	49,272 46	
Newark Bay Railway Company	5,901 83	
Wilkes-Barre and Harvey's Lake Railroad Company	205,861 23	
		\$6,588,870 08

WATER LINES:—

Lehigh Valley Transportation Company	\$426,252 71	
Morris Canal	2,200 00	
		428,452 71
Total advances to railroad and water lines as per balance sheet		<u>\$7,017,322 79</u>

EARNINGS AND EXPENSES, EXCLUSIVE OF WATER LINES, FOR THE YEAR ENDED JUNE

TABLE 9.

	EARNINGS.					
	COAL TRAFFIC.	FREIGHT TRAFFIC.	PASSENGER TRAFFIC.	EXPRESS AND MAIL.	RENTS AND MISCELLANEOUS.	GROSS EARNINGS.
July, 1903	\$1,253,636 38	\$992,773 51	\$320,129 62	\$33,790 64	\$128,900 98	\$2,729,231 13
August, "	1,216,450 42	1,011,500 94	381,071 98	33,785 02	111,895 91	2,754,704 27
September, "	1,139,349 65	1,075,218 01	355,277 89	33,790 58	100,017 41	2,703,653 54
October, "	876,810 31	1,232,708 04	290,485 91	33,776 14	123,322 97	2,557,103 37
November, "	770,547 86	1,112,847 42	226,603 48	33,799 09	115,824 60	2,259,622 45
December, "	915,299 44	955,300 24	220,597 21	33,788 71	126,863 95	2,251,849 55
January, 1904	921,020 13	791,511 73	183,206 69	33,786 06	109,339 85	2,038,864 46
February, "	887,869 88	788,539 69	180,621 31	33,773 01	100,092 44	1,990,896 33
March, "	1,239,595 84	1,094,552 71	209,136 19	33,779 69	117,361 90	2,694,426 33
April, "	1,194,544 50	1,022,151 49	235,475 20	33,784 06	105,799 48	2,591,754 73
May, "	1,139,208 07	941,047 12	258,617 16	33,812 29	141,321 52	2,514,006 16
June, "	1,280,743 76	976,549 87	294,492 49	142,051 74	101,788 03	2,795,625 89
Total year ended June 30, 1904 .	\$12,835,076 24	\$11,994,700 77	\$3,155,715 13	513,717 03	1,382,529 04	29,881,738 21
Total year ended June 30, 1903 .	10,104,764 40	11,609,706 36	3,191,638 63	483,059 54	1,265,334 33	26,654,503 26
Increase	\$2,730,311 84	\$384,994 41	. . . . .	\$30,657 49	\$117,194 71	\$3,227,234 95
Decrease . . . . .	. . . . .	. . . . .	\$35,923 50	. . . . .	. . . . .	. . . . .
Increase, per cent.	27.02	3.32	. . . . .	6.35	9.26	12.11
Decrease, " . . . . .	. . . . .	. . . . .	1.13	. . . . .	. . . . .	. . . . .

30TH, 1904, COMPARED WITH TOTALS FOR THE YEAR ENDED JUNE 30TH, 1903.

OPERATING EXPENSES.					NET EARNINGS.
MAINTENANCE OF WAY.	MAINTENANCE OF EQUIPMENT.	CONDUCTING TRANSPORTATION.	GENERAL EXPENSES	TOTAL EXPENSES.	
\$284,857 77	\$387,038 03	\$822,197 87	\$58,579 28	\$1,552,672 95	\$1,176,558 18
267,450 76	359,316 74	818,770 55	44,362 29	1,489,900 34	1,264,803 93
290,024 99	341,700 13	835,486 52	53,407 71	1,520,619 35	1,183,034 19
287,035 74	409,287 58	919,428 02	47,522 68	1,663,274 02	893,829 35
236,188 78	353,455 00	907,403 36	50,653 93	1,547,701 07	711,921 38
226,296 69	397,582 68	951,183 10	52,942 38	1,628,004 85	623,844 70
219,027 05	395,463 66	889,897 96	52,141 24	1,556,529 91	482,334 55
197,189 16	336,895 63	855,731 81	44,077 06	1,433,893 66	557,002 67
235,704 95	402,705 15	924,587 03	46,341 48	1,609,338 61	1,085,087 72
229,005 62	410,615 47	843,988 63	37,205 03	1,520,814 75	1,070,939 98
300,743 18	392,765 92	864,231 76	51,842 36	1,609,583 22	904,422 94
284,678 71	557,406 03	839,063 88	56,819 89	1,737,968 51	1,057,657 38
\$3,058,203 40	\$4,744,232 02	\$10,471,970 49	\$595,895 33	\$18,870,301 24	\$11,011,436 97
4,099,168 88	4,694,395 07	9,567,083 09	619,532 62	18,980,179 66	7,674,323 60
.....	\$49,836 95	\$904,887 40	.....	.....	\$3,337,113 37
\$1,040,965 48	.....	.....	\$23,637 29	\$109,878 42	.....
.....	1.06	9.46	.....	.....	43.48
25.39	.....	.....	3.82	.58	.....

STATEMENT OF EARNINGS AND EXPENSES, EXCLUSIVE OF WATER LINES, FOR TEN
YEARS, 1895 TO 1904 INCLUSIVE.

TABLE 10. EARNINGS.

YEARS ENDED JUNE 30TH.	COAL TRAFFIC.	FREIGHT TRAFFIC.	PASSENGER TRAFFIC.	EXPRESS AND MAIL.	MISCELLANEOUS SOURCES.	GROSS EARNINGS.	NET EARNINGS, TAXES NOT DEDUCTED.
1895	\$7,808,278 81	\$6,564,362 99	\$2,183,715 08	\$276,700 25	\$1,231,210 47	\$18,064,267 60	\$4,487,234 92
1896	7,382,480 53	7,128,909 05	2,478,796 48	326,266 11	1,255,782 68	18,572,234 85	4,443,063 12
1897	7,691,918 11	7,579,243 06	2,582,536 88	343,740 33	1,061,137 88	19,258,576 26	5,172,133 02
1898	7,935,807 94	7,675,855 58	2,726,111 03	401,392 57	1,094,836 05	19,834,003 17	5,918,369 68
1899	9,051,739 56	7,622,155 52	2,660,492 79	397,928 48	1,188,529 57	20,920,845 92	5,314,320 24
1900	9,963,376 90	8,933,000 10	2,926,403 18	399,754 03	1,229,882 37	23,452,416 58	5,348,591 23
1901	9,636,802 48	9,272,317 07	2,989,004 24	424,083 35	1,160,359 50	23,482,566 64	4,814,542 36
1902	9,328,959 09	9,627,286 35	3,664,820 27	460,855 54	838,046 70	23,919,967 95	5,938,769 22
1903	10,104,764 40	11,609,706 36	3,191,638 63	483,059 54	1,265,334 33	26,654,503 26	7,674,323 60
1904	12,835,076 24	11,994,700 77	3,155,715 13	513,717 03	1,382,529 04	29,881,738 21	11,011,436 97

The percentage of each class of earnings to gross earnings is as follows :—

	1895	1896	1897	1898	1899	1900	1901	1902	1903	1904
	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
Coal traffic	43.22	39.75	39.94	40.01	43.27	42.49	41.04	39.00	37.91	42.95
Freight traffic	36.34	38.38	39.36	38.70	36.43	38.09	39.49	40.25	43.56	40.14
Passenger traffic	12.09	13.35	13.41	13.75	12.72	12.48	12.72	15.32	11.97	10.56
Express and mail	1.53	1.76	1.78	2.02	1.90	1.70	1.81	1.93	1.81	1.72
Miscellaneous sources	6.82	6.76	5.51	5.52	5.68	5.24	4.94	3.50	4.75	4.63

OPERATING EXPENSES.

YEARS ENDED JUNE 30TH.	MAINTENANCE OF WAY.	MAINTENANCE OF EQUIPMENT.	CONDUCTING TRANSPORTATION.	GENERAL EXPENSES.	TOTAL OPERATING EXPENSES.	RATIO OF TOTAL EX- PENSES TO EARNINGS
						Per Cent.
1895	\$1,747,559 90	\$2,327,659 60	\$8,920,749 95	\$581,063 23	\$13,577,032 68	75.16
1896	1,974,016 79	2,680,762 07	8,907,843 63	566,549 24	14,129,171 73	76.07
1897	2,107,070 20	2,564,658 58	8,841,512 49	573,201 97	14,086,443 24	73.14
1898	1,735,135 89	3,239,403 80	8,369,904 83	571,188 97	13,915,633 49	70.16
1899	2,851,344 08	3,345,742 18	8,831,958 29	577,481 13	15,606,525 68	74.60
1900	3,687,084 39	4,335,768 55	9,428,893 60	652,078 81	18,103,825 35	77.20
1901	4,241,717 04	4,316,861 72	9,374,299 48	735,146 04	18,668,024 28	79.50
1902	3,689,987 12	4,654,257 50	8,898,286 97	738,667 14	17,981,198 73	75.17
1903	4,099,168 88	4,694,395 07	9,567,083 09	619,532 62	18,980,179 66	71.21
1904	3,058,203 40	4,744,232 02	10,471,970 49	595,895 33	18,870,301 24	63.15

The ratio of each class of operating expenses to gross earnings is as follows :—

	1895	1896	1897	1898	1899	1900	1901	1902	1903	1904
	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
Maintenance of way	9.67	10.63	10.94	8.75	13.63	15.72	18.07	15.42	15.38	10.23
Maintenance of equipment	12.89	14.43	13.32	16.33	15.99	18.49	18.38	19.46	17.61	15.88
Conducting transportation	49.38	47.96	45.91	42.20	42.22	40.21	39.92	37.20	35.89	35.05
General expenses	3.22	3.05	2.97	2.88	2.76	2.78	3.13	3.09	2.33	1.99

INVENTORY OF EQUIPMENT, JUNE 30TH, 1904.

TABLE 11.

LOCOMOTIVES	747	ROAD SERVICE EQUIPMENT :—	
Tractive power (pounds)	18,518,520	Air-brake instruction	1
PASSENGER CAR EQUIPMENT :—		Box	3
Passenger	241	Business	2
Chair	5	Derrick	33
Dining	6	Flat	113
Café	3	Gondola	56
Business	3	Gravel dump	417
Combination	65	Hoister	1
Baggage and mail	27	Hospital	1
Express	53	Pile driver	3
Fruit	11	Pole	12
Postal	3	Scale test	2
Milk	65	Snow flangers	22
Total	482	Snow plows	6
FREIGHT CAR EQUIPMENT :—		Steam shovels	6
Box	17,377	Supply	16
Stock	156	Tool	46
Lime	1	Tunnel	6
Refrigerator	94	Workmen's	114
Produce	871	Total	860
Furniture	1	* FLOATING EQUIPMENT :—	
Bark	21	Lake steamers	6
Flat	286	Tugs	21
Gondola	2,269	Steam lighters	5
Coal	13,544	Barges	147
Cabooses	352	Car floats	23
Total	34,972	Water boats	2
TONS CAPACITY	1,029,838	Wrecking boats	1
		Dredges	2
		Total	207

* Does not include Morris Canal equipment.

TABLE 12.

CLASSIFICATION OF EARNINGS AND EXPENSES

EARNINGS.	1904	1903	INCREASE.	DECREASE.
Coal	\$12,835,076 24	\$10,104,764 40	\$2,730,311 84	. . . . .
Freight	11,994,700 77	11,609,706 36	384,994 41	. . . . .
Passenger	3,155,715 13	3,191,638 63	. . . . .	\$35,923 50
Express	306,024 77	278,399 62	27,625 15	. . . . .
Mail	207,692 26	204,659 92	3,032 34	. . . . .
Miscellaneous	1,382,529 04	1,265,334 33	117,194 71	. . . . .
Amounts carried forward	\$29,881,738 21	\$26,654,503 26	\$3,227,234 95	. . . . .

FOR THE YEARS ENDED JUNE 30TH, 1904 AND 1903.

	1904	1903	INCREASE.	DECREASE.
MAINTENANCE OF WAY AND STRUCTURES:—				
Superintendence	\$116,959 99	\$119,827 89	. . . . .	\$2,867 90
Repairs of roadway	1,388,245 13	1,822,063 73	. . . . .	433,818 60
Renewals of rails	186,410 94	173,719 04	\$12,691 90	. . . . .
Renewals of ties	567,000 78	606,294 88	. . . . .	39,294 10
Repairs and renewals of bridges and culverts	238,781 16	589,133 92	. . . . .	350,352 76
Repairs and renewals of fences, road cross- ings, signs, and cattle guards	51,570 26	62,867 05	. . . . .	11,296 79
Repairs and renewals of buildings and fixtures	337,065 93	506,839 56	. . . . .	169,773 63
Repairs and renewals of docks and wharves .	79,361 93	132,394 52	. . . . .	53,032 59
Repairs and renewals of telegraph	31,269 36	36,157 91	. . . . .	4,888 55
Expenses and repairs Company's real estate .	49,743 16	44,260 31	5,482 85	. . . . .
Stationery and printing	3,471 98	3,995 65	. . . . .	523 67
Other expenses	4,635 69	1,614 42	3,021 27	. . . . .
Relief Fund payments	3,687 09	. . . . .	3,687 09	. . . . .
Total maintenance of way and structures .	\$3,058,203 40	\$4,099,168 88	. . . . .	\$1,040,965 48
MAINTENANCE OF EQUIPMENT:—				
Superintendence	\$42,246 86	\$42,845 88	. . . . .	\$599 02
Clerks and office expenses	80,462 17	78,749 11	\$1,713 06	. . . . .
Repairs and renewals of locomotives	2,149,956 64	2,045,285 16	104,671 48	. . . . .
Repairs and renewals of freight cars	1,829,765 56	1,799,591 45	30,174 11	. . . . .
Repairs and renewals of passenger cars . . .	309,223 13	383,431 04	. . . . .	74,207 91
Repairs and renewals of work cars	23,721 50	32,529 34	. . . . .	8,807 84
Repairs and renewals of marine equipment .	457 00	169 67	287 33	. . . . .
Repairs and renewals of shop machinery and tools	149,665 65	154,059 67	. . . . .	4,394 02
Stationery and printing	8,787 56	9,773 19	. . . . .	985 63
Other expenses	143,973 63	147,960 56	. . . . .	3,986 93
Relief Fund payments	5,972 32	. . . . .	5,972 32	. . . . .
Total maintenance of equipment	\$4,744,232 02	\$4,694,395 07	\$49,836 95	. . . . .

FOR THE YEARS ENDED JUNE 30TH, 1904 AND 1903.—Continued.

	1904	1903	INCREASE.	DECREASE.
CONDUCTING TRANSPORTATION:—				
Superintendence	\$106,211 03	\$127,399 46		\$21,188 43
Clerks and office expenses	255,202 72	251,208 81	\$3,993 91	
Engine and roundhousemen	1,682,442 97	1,458,691 11	223,751 86	
Fuel for locomotives	2,650,331 11	2,243,437 43	406,893 68	
Water supply for locomotives	90,070 43	89,917 96	152 47	
Oil, tallow, and waste for locomotives	75,467 31	67,539 55	7,927 76	
Other supplies for locomotives	32,375 94	31,199 94	1,176 00	
Train service	1,122,495 39	988,525 91	133,969 48	
Train supplies and expenses	211,777 37	199,857 43	11,919 94	
Switchmen, flagmen, and watchmen	906,752 65	791,059 88	115,692 77	
Telegraph expenses	259,036 67	245,102 26	13,934 41	
Station service	1,153,835 23	1,153,278 24	556 99	
Station supplies and expenses	147,551 66	157,161 53		9,609 87
Switching charges	49,335 14	38,330 02	11,005 12	
Loss and damage	110,425 79	106,744 97	3,680 82	
Injuries to persons	76,495 31	112,714 42		36,219 11
Clearing wrecks	42,256 49	32,514 26	9,742 23	
Operating marine equipment	2,272 11	368 72	1,903 39	
Advertising	74,441 92	65,077 33	9,364 59	
Outside agencies	419,556 89	411,096 33	8,460 56	
Stock yards and elevators	22,982 89	15,589 60	7,393 29	
Rents of tracks, yards, and terminals	614,384 10	602,257 94	12,126 16	
Rents of buildings and other property	244,635 61	273,565 87		28,930 26
Stationery and printing	85,220 08	89,596 84		4,376 76
Other expenses	18,639 37	14,847 28	3,792 09	
Relief Fund payments	17,774 31		17,774 31	
Total conducting transportation	\$10,471,970 49	\$9,567,083 09	\$904,887 40	
GENERAL EXPENSES:—				
Salaries of general officers	\$115,844 79	\$99,447 29	\$16,397 50	
Salaries of clerks and attendants	237,849 45	239,744 46		\$1,895 01
General office expenses and supplies	33,970 60	43,785 90		9,815 30
Insurance	90,000 00	110,983 15		20,983 15
Legal expenses	71,679 74	78,498 22		6,818 48
Stationery and printing	29,209 54	24,607 51	4,602 03	
Other expenses	17,341 21	22,466 09		5,124 88
Total general expenses	\$595,895 33	\$619,532 62		\$23,637 29
TOTAL OPERATING EXPENSES	\$18,870,301 24	\$18,980,179 66		\$109,878 42
NET EARNINGS	11,011,436 97	7,674,323 60	\$3,337,113 37	

PERFORMANCE OF LOCOMOTIVES (ENTIRE SYSTEM)

TABLE 13.

LOCOMOTIVE MILEAGE.	YEARS ENDED JUNE 30TH.		INCREASE.	DECREASE.
	1904	1903		
Passenger	3,731,216	3,770,417		39,201
Freight and coal	8,014,974	7,481,675	533,299	
Express	198,097	305,807		107,710
Special	54,625	58,542		3,917
Helping, freight and coal	588,561	583,934	4,627	
Helping, passenger	78,494	93,876		15,382
Light	882,200	782,274	99,926	
Switching	4,865,966	4,125,777	740,189	
Total (excluding work)	18,414,133	17,202,302	1,211,831	
Work	1,178,129	1,368,435		190,306
Total	19,592,262	18,570,737	1,021,525	
Average passenger	45,975	46,125		150
Average freight and coal	32,022	29,177	2,845	
Average switching and other	28,376	31,943		3,567
Average all services	32,873	32,869	4	
Percentage of passenger helping	1.93	2.22		0.29
Percentage of freight and coal helping	6.84	7.24		0.40
Greatest mileage made by an engine in passenger service	101,970	93,657	8,313	
Greatest mileage made by an engine in freight service	63,741	49,054	14,687	
CAR MILEAGE.				
Passenger, express and special	19,780,659	19,690,197	90,462	
Freight and coal, loaded	197,166,274	186,837,978	10,328,296	
Freight and coal, empty	90,156,229	86,895,702	3,260,527	
Work, loaded and empty	1,228,701	1,049,787	178,914	
Caboose	7,867,659	7,149,333	718,326	
Total	316,199,522	301,622,997	14,576,525	
Average cars per draft, passenger	5.0	4.8	0.2	
*Average cars per draft, freight (loaded basis)	30.7	31.2		0.5
Average cars per draft, work (loaded basis)	0.9	0.6	0.3	

* Two empty freight cars equaling one loaded; caboose mileage included in empty mileage.

FOR YEARS ENDED JUNE 30TH, 1904 AND 1903.

	YEARS ENDED JUNE 30TH.		INCREASE.	DECREASE.
	1904	1903		
FUEL COAL USED PER MILE.				
Passenger locomotive	POUNDS. 95.1	POUNDS. 93.6	POUNDS. 1.5	POUNDS.
Freight and coal locomotive	204.8	187.3	17.5	. . . . .
Switching and other locomotive	87.8	80.9	6.9	. . . . .
All services	145.0	133.7	11.3	. . . . .
Passenger car	20.3	20.9	. . . . .	0.6
Freight and coal car	7.9	7.0	0.9	. . . . .
OIL AND WASTE.				
Lubricating oil, locomotive miles, per pint	MILES. 20.00	MILES. 21.58	MILES.	MILES. 1.58
Cylinder oil, locomotive miles, per pint	60.19	61.79	. . . . .	1.60
Waste, locomotive miles, per pound	65.84	68.78	. . . . .	2.94
COST PER LOCOMOTIVE MILE.				
Fuel	CENTS. 14.39	CENTS. 13.04	CENTS. 1.35	CENTS.
Oil and waste	00.41	00.39	0.02	. . . . .
Other supplies	00.18	00.18	. . . . .	. . . . .
Water supply	00.49	00.52	. . . . .	0.03
Enginemen and firemen	07.25	06.69	0.56	. . . . .
Roundhousemen	01.88	01.79	0.09	. . . . .
Repairs (excluding renewals)	09.96	09.95	0.01	. . . . .
Total	34.56	32.56	2.00	. . . . .
Total, including renewals	35.57	33.62	1.95	. . . . .
COST PER CAR MILE.				
Fuel	CENTS. 1.01	CENTS. 0.90	CENTS. 0.11	CENTS.
Oil and waste	0.03	0.03	. . . . .	. . . . .
Other supplies	0.01	0.01	. . . . .	. . . . .
Water supply	0.04	0.04	. . . . .	. . . . .
Enginemen and firemen	0.51	0.46	0.05	. . . . .
Roundhousemen	0.13	0.12	0.01	. . . . .
Repairs (excluding renewals)	0.74	0.74	. . . . .	. . . . .
Total	2.47	2.30	0.17	. . . . .
Total, including renewals	2.55	2.39	0.16	. . . . .

The 1903 figures have been restated, eliminating the work train mileage except for repairs.

ENGINE, TRAIN, AND CAR STATISTICS FOR THE YEARS ENDED
JUNE 30TH, 1904 AND 1903.

TABLE 14.

	1904	1903	PERCENTAGE OF INCREASE OR DECREASE.
TRAIN AND ENGINE MILEAGE.			
Miles run by passenger trains	3,929,313	4,076,224	Dec. 3.60
Miles run by freight trains	8,014,974	7,481,675	Inc. 7.13
Total revenue train miles	11,944,287	11,557,899	Inc. 3.34
Miles run by work trains	1,178,129	1,368,435	Dec. 13.91
Miles run by special trains	54,625	58,542	Dec. 6.69
Total train mileage	13,177,041	12,984,876	Inc. 1.48
Miles run by yard switching engines	4,865,966	4,125,777	Inc. 17.94
Miles run by engines in helping service	667,055	677,810	Dec. 1.59
Miles run by engines in light service	882,200	782,274	Inc. 12.77
Total engine mileage	19,592,262	18,570,737	Inc. 5.50
CAR STATISTICS.			
Mileage of loaded freight cars	197,166,274	186,837,978	Inc. 5.53
Mileage of empty freight cars	90,156,229	86,895,702	Inc. 3.75
Mileage of caboose cars	7,867,659	7,149,333	Inc. 10.05
Total mileage of freight train cars	295,190,162	280,883,013	Inc. 5.09
Mileage of passenger cars, including Pullman cars	11,155,322	10,745,166	Inc. 3.82
Mileage of baggage, mail, express, and dining cars	8,535,609	8,888,622	Dec. 3.97
Total mileage of passenger train cars	19,690,931	19,633,788	Inc. .29
Mileage of work cars	1,228,701	1,049,787	Inc. 17.04
Mileage of special train cars	89,728	56,409	Inc. 59.07
Total mileage of non-revenue cars	1,318,429	1,106,196	Inc. 19.19
Total mileage of all cars	316,199,522	301,622,997	Inc. 4.83
Average number of loaded freight cars in train	24.60	24.97	Dec. 1.48
Average number of empty freight cars in train	12.23	12.57	Dec. 2.70
Average number of cars in each freight train	36.83	37.54	Dec. 1.89
*Percentage of loaded cars in each train	66.80	66.52	Inc. .42
Average miles run per freight car per day (including foreign)	25.25	25.75	Dec. 1.94
Average daily mileage of foreign freight cars on lines of Le-			
high Valley System	35.45	40.18	Dec. 11.77
Average number of passenger cars in train	2.84	2.64	Inc. 7.58
Average number of baggage, mail, express, and dining cars			
in train	2.17	2.18	Dec. .46
Average number of cars in each passenger train	5.01	4.82	Inc. 3.94
Average miles run per passenger car per day	95.09	95.91	Dec. .85

* Caboose included in empty mileage.

MILEAGE, HAUL, LOAD, RATE, &c. (ENTIRE SYSTEM), FOR THE YEARS ENDED
JUNE 30TH, 1904 AND 1903.

TABLE 15.

PASSENGER.	1904	1903	INCREASE.	DECREASE.	PER CENT. OF INCREASE OR DECREASE
Train mileage	3,731,216	3,770,417		39,201	1.04
Car mileage	11,155,322	10,745,166	410,156		3.82
Average cars per train	5.01	4.82	.19		3.94
Passengers carried	4,199,490	4,148,477	51,013		1.23
Average passengers per train	48.88	45.12	3.76		8.33
Average passengers per car	16.35	15.83	.52		3.28
Passengers carried one mile	182,373,082	170,118,364	12,254,718		7.20
Average haul	43.43 miles.	41.01 miles	2.42 miles.		5.90
*Earnings	\$3,155,715 13	\$3,191,638 63		\$35,923 50	1.13
Average per train mile	84.58 cents.	84.65 cents.		.07 cent.	.08
Average per passenger per mile	1.730 cents.	1.876 cents.		.146 cent.	7.78
FREIGHT.					
Train mileage	8,014,974	7,481,675	533,299		7.13
Car mileage	295,190,162	280,883,013	14,307,149		5.09
Average cars per train	36.83	37.54		.71	1.89
Tonnage	21,909,097	19,920,132	1,988,965		9.98
Average tons per train mile	486.15	485.52	.63		.13
Average tons per loaded car mile	19.76	19.44	.32		1.65
Ton miles	3,896,502,788	3,632,481,459	264,021,329		7.27
Average haul	177.85 miles.	182.35 miles.		4.50 miles.	2.47
Earnings	\$24,829,777 01	\$21,714,470 76	\$3,115,306 25		14.35
Average per train mile	\$3.0979	\$2.9023	\$.1956		6.74
Average per ton per mile . . . . .	.637 cent.	.598 cent.	.039 cent.		6.52

* Express and mail earnings not included.

ANALYSIS OF TRAFFIC EARNINGS AND EXPENSES

TABLE 16.

EARNINGS, EXPENSES, AND NET EARNINGS.	YEARS ENDED JUNE 30TH.		INCREASE.	PER CENT.	DECREASE.	PER CENT.
	1904	1903				
Average miles of road operated	1,392.67	1,392.15	.52	.04		
Total revenue train miles	11,944,287	11,557,899	386,388	3.34		
Freight and passenger revenue	\$27,985,492 14	\$24,906,109 39	\$3,079,382 75	12.36		
Freight and passenger revenue per mile of road	20,094 85	17,890 39	2,204 46	12.32		
Gross earnings, railroad	29,881,738 21	26,654,503 26	3,227,234 95	12.11		
Gross earnings per mile of road	21,456 44	19,146 29	2,310 15	12.07		
Gross earnings per revenue train mile . . .	2.502	2.306	.196	8.50		
Operating expenses, railroad	18,870,301 24	18,980,179 66			\$109,878 42	.58
Operating expenses per mile of road	13,549 73	13,633 72			83 99	.62
Operating expenses per revenue train mile .	1.580	1.642			.062	3.78
Net earnings, railroad	11,011,436 97	7,674,323 60	3,337,113 37	43.48		
Net earnings per mile of road	7,906 71	5,512 57	2,394 14	43.43		
Net earnings per revenue train mile . . . .	.922	.664	.258	38.86		
PASSENGER.						
Passenger revenue	\$3,155,715 13	\$3,191,638 63			\$35,923 50	1.13
Passenger train earnings	3,729,866 24	3,720,770 86	\$9,095 38	.24		
Number of passengers carried	4,199,490	4,148,477	51,013	1.23		
Number of passengers carried one mile . . .	182,373,082	170,118,364	12,254,718	7.20		
Average distance each passenger carried . .	43.43 miles.	41.01 miles.	2.42 miles.	5.90		
Average number of passengers one mile per mile of road	130,952	122,198	8,754	7.16		
Average revenue per passenger	75.15 cents.	76.94 cents.			1.79 cents.	2.33
Average revenue per passenger per mile . .	1.730 cents.	1.876 cents.			.146 cent.	7.78
Passenger train mileage	3,731,216	3,770,417			39,201	1.04
Passenger train mileage (including express) .	3,929,313	4,076,224			146,911	3.60
Passenger revenue per mile of road	\$2,265 95	\$2,292 60			\$26 65	1.16
Passenger revenue per train mile	84.58 cents.	84.65 cents.			.07 cent.	.08
Passenger train earnings per mile of road . .	\$2,678 21	\$2,672 68	\$5 53	.21		
Passenger train earnings per train mile . . .	94.92 cents.	91.28 cents.	3.64 cents.	3.99		
Average number of passengers in each train .	48.88	45.12	3.76	8.33		
Passenger car mileage	11,155,322	10,745,166	410,156	3.82		
Baggage, mail, express, and dining car mileage	8,535,609	8,888,622			353,013	3.97
Total mileage of passenger train cars	19,690,931	19,633,788	57,143	.29		
Average number of passengers in each passenger car	16.35	15.83	.52	3.28		
Average number of passenger cars in train . .	2.84	2.64	.20	7.58		
Average number of baggage, mail, express, and dining cars in train	2.17	2.18			.01	.46
Average number of cars in each passenger train	5.01	4.82	.19	3.94		

Lehigh Valley Railroad Company.

51

FOR THE YEARS ENDED JUNE 30TH, 1904 AND 1903.

FREIGHT.	1904	1903	INCREASE.		DECREASE.	
			Amount.	Per cent.	Amount.	Per cent.
Coal freight revenue	\$12,835,076 24	\$10,104,764 40	\$2,730,311 84	27.02		
Miscellaneous freight revenue	11,994,700 77	11,609,706 36	384,994 41	3.32		
Total freight revenue	\$24,829,777 01	\$21,714,470 76	\$3,115,306 25	14.35		
Number tons miscellaneous freight carried . .	10,214,946	10,495,914			280,968	2.68
Number tons coal carried	11,694,151	9,424,218	2,269,933	24.09		
Total number tons carried, all revenue freight .	21,909,097	19,920,132	1,988,965	9.98		
Tons one mile, miscellaneous freight	2,130,890,295	2,271,677,301			140,787,006	6.20
Tons one mile, coal	1,765,612,493	1,360,804,158	404,808,335	29.75		
Tons one mile, all revenue freight	3,896,502,788	3,632,481,459	264,021,329	7.27		
Average distance carried, all revenue freight .	177.85 miles.	182.35 miles.			4.50 miles.	2.47
Average number of tons carried one mile per mile of road	2,797,865	2,609,260	188,605	7.23		
Average revenue per ton, all revenue freight .	113.33 cents.	109.01 cents.	4.32 cents.	3.96		
Average revenue per ton per mile, all revenue freight . . . . .	.637 cent.	.598 cent.	.039 cent.	6.52		
Freight train mileage	8,014,974	7,481,675	533,299	7.13		
Freight revenue per mile of road	\$17,828 90	\$15,597 80	\$2,231 10	14.30		
Freight revenue per train mile	\$3.0979	\$2.9023	\$0.1956	6.74		
Average number of tons in each train	486.15	485.52	.63	.13		
Average number tons in each loaded car . . .	19.76	19.44	.32	1.65		
Percentage of loaded cars in each freight train .	66.80	66.52	.28	.42		
ALL FREIGHT, INCLUDING COMPANY'S SUPPLIES.						
Number of tons carried	23,930,481	21,640,593	2,289,888	10.58		
Number of tons carried one mile	4,070,955,137	3,814,091,314	256,863,823	6.73		
Average distance carried	170.12	176.25			6.13	3.48
Average number of tons in each train	507.92	509.79			1.87	.37
Average number of tons in each loaded car . .	20.65	20.41	.24	1.18		

CONSOLIDATED BALANCE

TABLE 17.

Dr.

LEHIGH VALLEY COAL COMPANY

ASSETS.		
PROPERTY AND PLANT		\$16,400,007 05
TREASURY STOCK		350,000 00
SECURITIES OWNED		334,112 00
ADVANCES FOR COAL-MINING RIGHTS		5,524,036 07
CURRENT ASSETS :—		
Cash on deposit and in hands of Treasurer	\$1,377,348 78	
Cash in hands of agents	20,263 48	
		\$1,397,612 26
Stock of coal on hand	1,641,561 85	
Materials and supplies	162,890 14	
Bills receivable	59,361 85	
Mortgages receivable	25 00	
Royalties due from lessees	34,216 80	
Due from companies and individuals	4,228,788 61	
		7,524,456 51
DEFERRED AND SUSPENDED ASSETS :—		
Premiums on unexpired insurance and other deferred assets		47,266 06
TRUSTEES OF SINKING FUNDS :—		
Cash and bonds in the hands of the Trustees		910,263 01
TOTAL ASSETS		\$31,090,140 70

SHEET OF JUNE 30TH, 1904.

AND AFFILIATED COAL COMPANIES.

Cr.

LIABILITIES.		
CAPITAL STOCK	\$2,400,000 00	
*FUNDED DEBT	21,812,000 00	
		\$24,212,000 00
CURRENT LIABILITIES :—		
Audited vouchers	\$2,071,886 80	
Wages due and unpaid	113,996 83	
Sundry accounts payable	34,548 19	
Royalties on coal mined and due lessors	51,524 12	
Bond interest due and payable	2,700 00	
Taxes due and payable	30,046 29	
Bills payable	10,000 00	
		2,314,702 23
DEFERRED AND SUSPENDED LIABILITIES :—		
Royalties received from lessees, not accrued	\$96,344 49	
Interest on funded debt, accrued	332,533 33	
Taxes accrued	70,923 85	
Deferred real estate payments	143,333 33	
Miscellaneous	6,240 63	
		649,375 63
RESERVE ACCOUNTS :—		
Sinking funds and other reserves		1,387,061 42
PROFIT AND LOSS		2,527,001 42
TOTAL LIABILITIES		\$31,090,140 70

* \$8,244,000 is owned by the Company.



1904